OCT 13 1982
1008-D
Y1.1/8:97-889
ORIGINAL

97th Congress
2d Session

HOUSE OF REPRESENTATIVES

Report
No. 97-889

COMPLETED
Y1.1/8:97-889

JOB TRAINING PARTNERSHIP ACT

September 28, 1982.—Ordered to be printed

Mr. Perkins, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany S. 2036]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2036) to provide for a job training program and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SHORT TITLE; TABLE OF CONTENTS

Section 1. This Act may be cited as the "Job Training Partnership Act".

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.
Sec. 2. Statement of purpose.
Sec. 3. Authorization of appropriations.
Sec. 4. Definitions.

TITLE I—JOB TRAINING PARTNERSHIP

Part A—Service Delivery System

Sec. 101. Establishment of service delivery areas.
Sec. 102. Establishment of private industry council.
Sec. 103. Functions of private industry council.
Sec. 104. Job training plan.
Sec. 105. Review and approval of plan.
Sec. 106. Performance standards.
Sec. 107. Selection of service providers.
Sec. 108. Limitation on certain costs.

99-143 O

PART B—ADDITIONAL STATE RESPONSIBILITIES

Sec. 121. Governor's coordination and special services plan.
Sec. 122. State job training coordinating council.
Sec. 123. State education coordination and grants.
Sec. 124. Training programs for older individuals.
Sec. 125. State labor market information programs.
Sec. 126. Authority of state legislature.
Sec. 127. Interstate agreements.

PART C—PROGRAM REQUIREMENT FOR SERVICE DELIVERY SYSTEM

Sec. 141. General program requirements.
Sec. 142. Benefits.
Sec. 143. Labor standards.
Sec. 144. Grievance procedure.
Sec. 145. Prohibition against federal control of education.

PART D—FEDERAL AND FISCAL ADMINISTRATIVE PROVISIONS

Sec. 161. Program year.
Sec. 162. Prompt allocation of funds.
Sec. 163. Monitoring.
Sec. 164. Fiscal controls; sanctions.
Sec. 165. Reports, recordkeeping, and investigations.
Sec. 166. Administrative adjudication.
Sec. 167. Nondiscrimination.
Sec. 168. Judicial review.
Sec. 169. Administrative provisions.
Sec. 170. Utilization of services and facilities.
Sec. 171. Obligational authority.

PART E—MISCELLANEOUS PROVISIONS

Sec. 181. Transition.
Sec. 182. Criminal provisions.
Sec. 183. Reference.
Sec. 184. Repealers.

TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

PART A—ADULT AND YOUTH PROGRAMS

Sec. 201. Allotment.
Sec. 202. Within state allocation.
Sec. 203. Eligibility for services.
Sec. 204. Use of funds.
Sec. 205. Exemplary youth programs.

PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS

Sec. 251. Authorization of appropriations; allotment and allocation.
Sec. 252. Use of funds.
Sec. 253. Limitations.
Sec. 254. Applicable provisions.

TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

Sec. 301. Allocation of funds.
Sec. 302. Identification of dislocated workers.
Sec. 303. Authorized activities.
Sec. 304. Matching requirement.
Sec. 305. Program review.
Sec. 306. Consultation with labor organizations.
Sec. 307. Limitations.
Sec. 308. State plans; coordination with other programs.

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

Sec. 401. Native American programs.
Sec. 402. Migrant and seasonal farmworker programs.

PART B—JOB CORPS

Sec. 421. Statement of purpose.
Sec. 422. Establishment of the job corps.
Sec. 423. Individuals eligible for the job corps.
Sec. 424. Screening and selection of applicants: general provisions.
Sec. 425. Screening and selection: special limitations.
Sec. 426. Enrollment and assignment.
Sec. 427. Job Corps centers.
Sec. 428. Program activities.
Sec. 429. Allowances and support.
Sec. 430. Standards of conduct.
Sec. 431. Community participation.
Sec. 432. Counseling and job placement.
Sec. 433. Experimental and developmental projects and coordination with other programs.
Sec. 434. Advisory boards and committees.
Sec. 435. Participation of the states.
Sec. 436. Application of provisions of federal law.
Sec. 437. Special provisions.
Sec. 438. General provisions.
Sec. 439. Donations.

PART C—VETERANS' EMPLOYMENT PROGRAMS

Sec. 441. Programs authorized.

PART D—NATIONAL ACTIVITIES

Sec. 451. Multistate programs.
Sec. 452. Research and demonstration.
Sec. 453. Pilot projects.
Sec. 454. Evaluation.
Sec. 455. Training and technical assistance.

PART E—LABOR MARKET INFORMATION

Sec. 461. Labor market information; availability of funds.
Sec. 462. Cooperative labor market information program.
Sec. 463. Special federal responsibilities.
Sec. 464. National occupational information coordinating committee.
Sec. 465. Job bank program.

PART F—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

Sec. 471. Statement of purpose.
Sec. 472. Commission established.
Sec. 473. Functions of the commission.
Sec. 474. Administrative provisions.

PART G—TRAINING TO FULFILL AFFIRMATIVE ACTION OBLIGATIONS

Sec. 481. Affirmative action.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Amendments to the Wagner-Peyser Act.
Sec. 502. Amendments to part C of title IV of the Social Security Act.
Sec. 503. Earnings disregard.
Sec. 504. Enforcement of Military Selective Service Act.

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to establish programs to prepare youth and unskilled adults for entry into the labor force and to *afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment.*

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a)(1) There are authorized to be appropriated to carry out part A of title II and title IV (other than part B of such title) such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(2) From the amount appropriated pursuant to paragraph (1) for any fiscal year, an amount equal to not more than 7 percent of the total amount appropriated pursuant to this section shall be available to carry out parts A, C, D, E, F, and G of of title IV.

(3) Of the amount so reserved under paragraph (2)—

  (A) 5 percent shall be available for part C of title IV, and

  (B) $2,000,000 shall be available for part F of title IV.

(b) There are authorized to be appropriated to carry out part B of title II such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(c) There are authorized to be appropriated to carry out title III such sums as may be necessary for fiscal year 1983 and for each succeeding fiscal year.

(d) There are authorized to be appropriated $618,000,000 for fiscal year 1983, and such sums as may be necessary for each succeeding fiscal year, to carry out part B of title IV of this Act.

(e) The authorizations of appropriations contained in this section are subject to the program year provisions of section 161.

DEFINITIONS

SEC. 4. For the purposes of this Act, the following definitions apply:

  (1) The term "academic credit" means credit for education, training, or work experience applicable toward a secondary school diploma, a postsecondary degree, or an accredited certificate of completion, consistent with applicable State law and regulation and the requirements of an accredited educational agency or institution in a State.

  (2) The term "administrative entity" means the entity designated to administer a job training plan under section 103(b)(1)(B).

  (3) The term "area of substantial unemployment" means any area of sufficient size and scope to sustain a program under part A of title II of this Act and which has an average rate of unemployment of at least 6.5 percent for the most recent twelve months as determined by the Secretary. Determinations of areas of substantial unemployment shall be made once each fiscal year.

  (4) The term "chief elected official" includes—

    (A) in the case of a State, the Governor;

    (B) in the District of Columbia, the mayor; and

    (C) in the case of a service delivery area designated under section 101(a)(4)(A)(iii), the governing body.

(5) The term "community-based organizations" means private nonprofit organizations which are representative of communities or significant segments of communities and which provide job training services (for example, Opportunities Industrialization Centers, the National Urban League, SER-Jobs for Progress, United Way of America, Mainstream, the National Puerto Rican Forum, National Council of La Raza, 70,001, Jobs for Youth, organizations operating career intern programs, neighborhood groups and organizations, community action agencies, community development corporations, vocational rehabilitation organizations, rehabilitation facilities (as defined in section 7(10) of the Rehabilitation Act of 1973), agencies serving youth, agencies serving the handicapped, agencies serving displaced homemakers, union-related organizations, and employer-related nonprofit organizations), and organizations serving nonreservation Indians (including the National Urban Indian Council), as well as tribal governments and Native Alaskan groups.

(6) Except as otherwise provided therein, the term "council" means the private industry council established under section 102.

(7) The term "economic development agencies" includes local planning and zoning commissions or boards, community development agencies, and other local agencies and institutions responsible for regulating, promoting, or assisting in local economic development.

(8) The term "economically disadvantaged" means an individual who (A) receives, or is a member of a family which receives, cash welfare payments under a Federal, State, or local welfare program; (B) has, or is a member of a family which has, received a total family income for the six-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level; (C) is receiving food stamps pursuant to the Food Stamp Act of 1977; (D) is a foster child on behalf of whom State or local government payments are made; or (E) in cases permitted by regulations of the Secretary, is an adult handicapped individual whose own income meets the requirements of clause (A) or (B), but who is a member of a family whose income does not meet such requirements.

(9) The term "Governor" means the chief executive of any State.

(10) The term "handicapped individual" means any individual who has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment.

(11) The term "Hawaiian native" means any individual any of whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.

(12) The term "institution of higher education" means any institution of higher education as that term is defined in section 1201(a) of the Higher Education Act of 1965.

(13) The term "labor market area" means an economically integrated geographic area within which individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence. Such areas shall be identified in accordance with criteria used by the Bureau of Labor Statistics of the Department of Labor in defining such areas or similar criteria established by a Governor.

(14) The term "local educational agency" means such an agency as defined in section 195(10) of the Vocational Education Act of 1963.

(15) The term "low-income level" means $7,000 with respect to income in 1969, and for any later year means that amount which bears the same relationship to $7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest $1,000.

(16) The term "lower living standard income level" means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary based on the most recent "lower living family budget" issued by the Secretary.

(17) The term "offender" means any adult or juvenile who is or has been subject to any stage of the criminal justice process for whom services under this Act may be beneficial or who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

(18) The term "postsecondary institution" means an institution of higher education as that term is defined in section 481(a)(1) of the Higher Education Act of 1965.

(19) The term "private sector" means, for purposes of the State job training councils and private industry councils, persons who are owners, chief executives or chief operating officers of private for-profit employers and major nongovernmental employers, such as health and educational institutions or other executives of such employers who have substantial management or policy responsibility.

(20) The term "public assistance" means Federal, State, or local government cash payments for which eligibility is determined by a needs or income test.

(21) The term "Secretary" means the Secretary of Labor.

(22) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(23) The term "State educational agency" means such an agency as defined in section 195(11) of the Vocational Education Act of 1963.

(24) The term "supportive services" means services which are necessary to enable an individual eligible for training under this Act, but who cannot afford to pay for such services, to participate in a training program funded under this Act. Such sup-

portive services may include transportation, health care, special services and materials for the handicapped, child care, meals, temporary shelter, financial counseling, and other reasonable expenses required for participation in the training program and may be provided in-kind or through cash assistance.

(25) The term "unemployed individuals" means individuals who are without jobs and who want and are available for work. The determination of whether individuals are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining individuals as unemployed.

(26) The term "unit of general local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(27)(A) The term "veteran" means an individual who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

(B) The term "disabled veteran" means (i) a veteran who is entitled to compensation under laws administered by the Veterans' Administration, or (ii) an individual who was discharged or released from active duty because of service-connected disability.

(28) The term "vocational education" has the meaning provided in section 195(1) of the Vocational Education Act of 1963.

TITLE I—JOB TRAINING PARTNERSHIP

PART A—SERVICE DELIVERY SYSTEM

ESTABLISHMENT OF SERVICE DELIVERY AREAS

SEC. 101. (a)(1) The Governor shall, after receiving the proposal of the State job training coordinating council, publish a proposed designation of service delivery areas for the State each of which—

(A) is comprised of the State or one or more units of general local government;

(B) will promote effective delivery of job training services; and

(C)(i) is consistent with labor market areas or standard metropolitan statistical areas, but this clause shall not be construed to require designation of an entire labor market area; or

(ii) is consistent with areas in which related services are provided under other State or Federal programs.

(2) The Council shall include in its proposal a written explanation of the reasons for designating each service delivery area.

(3) Units of general local government (and combinations thereof), business organizations, and other affected persons or organizations shall be given an opportunity to comment on the proposed designation of service delivery areas and to request revisions thereof.

(4)(A) The Governor shall approve any request to be a service delivery area from—

(i) any unit of general local government with a population of 200,000 or more;

(ii) any consortium of contiguous units of general local government with an aggregate population of 200,000 or more which serves a substantial part of a labor market area; and

(iii) any concentrated employment program grantee for a rural area which served as a prime sponsor under the Comprehensive Employment and Training Act.

(B) The Governor may approve a request to be a service delivery area from any unit of general local government or consortium of contiguous units of general local government, without regard to population, which serves a substantial portion of a labor market area.

(C) If the Governor denies a request submitted under subparagraph (A) and the entity making such request alleges that the decision of the Governor is contrary to the provisions of this section, such entity may appeal the decision to the Secretary, who shall make a final decision within 30 days after such appeal is received.

(b) The Governor shall make a final designation of service delivery areas within the State. Before making a final designation of service delivery areas for the State, the Governor shall review the comments submitted under subsection (a)(3) and requests submitted under subsection (a)(4).

(c)(1) In accordance with subsection (a), the Governor may redesignate service delivery areas no more frequently than every two years. Such redesignations shall be made not later than 4 months before the beginning of a program year.

(2) Subject to paragraph (1), the Governor shall make such a redesignation if a petition to do so is filed by an entity specified in subsection (a)(4)(A).

(3) The provisions of this subsection are subject to section 105(c).

ESTABLISHMENT OF PRIVATE INDUSTRY COUNCIL

SEC. 102. (a) There shall be a private industry council for every service delivery area established under section 101, to be selected in accordance with this subsection. Each council shall consist of—

(1) representatives of the private sector, who shall constitute a majority of the membership of the council and who shall be owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector executives who have substantial management or policy responsibility; and

(2) representatives of educational agencies (representative of all educational agencies in the service delivery area), organized labor, rehabilitation agencies, community-based organizations, economic development agencies, and the public employment service.

(b) The Chairman of the council shall be selected from among members of the council who are representatives of the private sector.

(c)(1)(A) Private sector representatives on the council shall be selected from among individuals nominated by general purpose business organizations after consulting with, and receiving recommendations from, other business organizations in the service delivery area. The number of such nominations shall be at least 150 percent of the number of individuals to be appointed under subsection (a)(1). Such nominations, and the individuals selected from such nominations,

shall reasonably represent the industrial and demographic composition of the business community. Whenever possible, at least one-half of such business and industry representatives shall be representatives of small business, including minority business.

(B) For the purpose of this paragraph, the term—

(i) "general purpose business organizations" means organizations which admit to membership any for-profit business operating within the service delivery area; and

(ii) "small business" means private for-profit enterprises employing 500 or fewer employees.

(2) Education representatives on the council shall be selected from among individuals nominated by local educational agencies, vocational education institutions, institutions of higher education, or general organizations of such agencies or institutions, and by private and proprietary schools or general organizations of such schools, within the service delivery area.

(3) The remaining members of the council shall be selected from individuals recommended by interested organizations. Labor representatives shall be recommended by recognized State and local labor organizations or appropriate building trades councils.

(d)(1) In any case in which there is only one unit of general local government with experience in administering job training programs within the service delivery area, the chief elected official of that unit shall appoint members to the council from the individuals nominated or recommended under subsection (c).

(2) In any case in which there are two or more such units of general local government in the service delivery area, the chief elected officials of such units shall appoint members to the council from the individuals so nominated or recommended in accordance with an agreement entered into by such units of general local government. In the absence of such an agreement, the appointments shall be made by the Governor from the individuals so nominated or recommended.

(e) The initial number of members of the council shall be determined—

(1) by the chief elected offical in the case described in subsection (d)(1),

(2) by the chief elected officials in accordance with the agreement in the case described in subsection (d)(2), or

(3) by the Governor in the absence of such agreement.

Thereafter, the number of members of the council shall be determined by the council.

(f) Members shall be appointed for fixed and staggered terms and may serve until their successors are appointed. Any vacancy in the membership of the council shall be filled in the same manner as the original appointment. Any member of the council may be removed for cause in accordance with procedures established by the council.

(g) The Governor shall certify a private industry council if the Governor determines that its composition and appointments are consistent with the provisions of this subsection. Such certification shall be made or denied within 30 days after the date on which a list of members and necessary supporting documentation are submitted to the Governor. When the Governor certifies the council, it

shall be convened within 30 days by the official or officials who made the appointments to such council under subsection (d).

(h) In any case in which the service delivery area is a State, the State job training coordinating council or a portion of such council may be reconstituted to meet the requirements of this section.

FUNCTIONS OF PRIVATE INDUSTRY COUNCIL

SEC. 103. (a) It shall be the responsibility of the private industry council to provide policy guidance for, and exercise oversight with respect to, activities under the job training plan for its service delivery area in partnership with the unit or units of general local government within its service delivery area.

(b)(1) The council, in accordance with an agreement or agreements with the appropriate chief elected official or officials specified in subsection (c), shall—

(A) determine procedures for the development of the job training plan, which may provide for the preparation of all or any part of the plan (i) by the council, (ii) by any unit of general local government in the service delivery area, or by an agency thereof, or (iii) by such other methods or institutions as may be provided in such agreement; and

(B) select as a grant recipient and entity to administer the job training plan (which may be separate entities), (i) the council, (ii) a unit of general local government in its service delivery area, or an agency thereof, (iii) a nonprofit private organization or corporation, or (iv) any other agreed upon entity or entities.

(2) The council is authorized to provide oversight of the programs conducted under the job training plan in accordance with procedures established by the council. In order to carry out this paragraph, the council shall have access to such information concerning the operations of such programs as is necessary.

(c) For purposes of subsection (b), the appropriate chief elected official or officials means—

(1) the chief elected official of the sole unit of general local government in the service delivery area,

(2) the individual or individuals selected by the chief elected officials of all units of general local government in such area as their authorized representative, or

(3) in the case of a service delivery area designated under section 104(a)(4)(A)(iii), the representative of the chief elected official for such area (as defined in section 4(4)(C)).

(d) No job training plan prepared under section 104 may be submitted to the Governor unless (1) the plan has been approved by the council and by the appropriate chief elected official or officials specified in subsection (c), and (2) the plan is submitted jointly by the council and such official or officials.

(e) In order to carry out its functions under this Act, the council—

(1) shall, in accordance with the job training plan, prepare and approve a budget for itself, and

(2) may hire staff, incorporate, and solicit and accept contributions and grant funds (from other public and private sources).

(f) As used in this section, the term "oversight" means reviewing, monitoring, and evaluating.

JOB TRAINING PLAN

SEC. 104. (a) No funds appropriated for any fiscal year may be provided to any service delivery area under this Act except pursuant to a job training plan for two program years which is prepared in accordance with section 103 and which meets the requirements of this section.

(b) Each job training plan shall contain—

(1) identification of the entity or entities which will administer the program and be the grant recipient of funds from the State;

(2) a description of the services to be provided, including the estimated duration of service and the estimated training cost per participant;

(3) procedures for identifying and selecting participants and for eligibility determination and verification;

(4) performance goals established in accordance with standards prescribed under section 106;

(5) procedures, consistent with section 107, for selecting service providers which take into account past performance in job training or related activities, fiscal accountability, and ability to meet performance standards;

(6) the budget for two program years and any proposed expenditures for the succeeding two program years, in such detail as is determined necessary by the entity selected to prepare this portion of the plan pursuant to section 103(b)(1)(B) and to meet the requirements of section 108;

(7) a description of methods of complying with the coordination criteria contained in the Governor's coordination and special services plan;

(8) if there is more than one service delivery area in a single labor market area, provisions for coordinating particular aspects of individual service delivery area programs, including—

(A) assessments of needs and problems in the labor market that form the basis for program planning;

(B) provisions for ensuring access by program participants in each service delivery area to skills training and employment opportunities throughout the entire labor market; and

(C) coordinated or joint implementation of job development, placement, and other employer outreach activities;

(9) fiscal control, accounting, audit and debt collection procedures to assure the proper disbursal of, and accounting for, funds received under this title; and

(10) procedures for the preparation and submission of an annual report to the Governor which shall include—

(A) a description of activities conducted during the program year;

(B) characteristics of participants; and

(C) the extent to which the activities exceeded or failed to meet relevant performance standards.

(c) If changes in labor market conditions, funding, or other factors require substantial deviation from an approved job training plan, the private industry council and the appropriate chief elected official or officials (as described in section 103(c)) shall submit a modification of such plan (including modification of the budget under subsection (b)(6)), which shall be subject to review in accordance with section 105.

REVIEW AND APPROVAL OF PLAN

SEC. 105. (a)(1) Not less than 120 days before the beginning of the first of the two program years covered by the job training plan—

(A) the proposed plan or summary thereof shall be published; and

(B) such plan shall be made available for review and comment to—

(i) each house of the State legislature for appropriate referral;

(ii) appropriate local educational and other public agencies in the service delivery area; and

(iii) labor organizations in the area which represent employees having the skills in which training is proposed; and

(C) such plan shall be reasonably available to the general public through such means as public hearings and local news facilities.

(2) The final plan, or a summary thereof, shall be published not later than 80 days before the first of the two program years and shall be submitted to the Governor in accordance with section 103(d)(2). Any modification shall be published not later than 80 days before it is effective and shall be submitted to the Governor in accordance with such section.

(b)(1) The Governor shall approve the job training plan or modification thereof unless he finds that—

(A) corrective measures for deficiencies found in audits or in meeting performance standards from previous years have not been taken or are not acceptably underway;

(B) the entity proposed to administer the program does not have the capacity to administer the funds;

(C) there are inadequate safeguards for the protection of funds received;

(D) the plan (or modification) does not comply with a particular provision or provisions of this Act or of regulations of the Secretary under this Act; or

(E) the plan (or modification) does not comply with the criteria under section 121(b) for coordinating activities under this Act with related program activities.

(2) The Governor shall approve or disapprove a job training plan (or modification) within 30 days after the date that the plan (or modification) is submitted, except that if a petition is filed under paragraph (3) such period shall be extended to 45 days. Any disapproval by the Governor may be appealed to the Secretary, who shall make a final decision of whether the Governor's disapproval complies with paragraph (1) of this subsection within 45 days after receipt of the appeal.

(3)(A) Interested parties may petition the Governor within 15 days of the date of submission for disapproval of the plan or modification thereof if—

(i) the party can demonstrate that it represents a substantial client interest,

(ii) the party took appropriate steps to present its views and seek resolution of disputed issues prior to submission of the plan to the Governor, and

(iii) the request for disapproval is based on a violation of statutory requirements.

(B) If the Governor approves the plan (or modification), the Governor shall notify the petitioner in writing of such decision and the reasons therefor.

(c)(1) If a private industry council and the appropriate chief elected official or officials fail to reach the agreement required under section 103 (b) or (d) and, as a consequence, funds for a service delivery area may not be made available under section 104, then the Governor shall redesignate, without regard to sections 101 (a)(4) and (c)(1), the service delivery areas in the State to merge the affected area into one or more other service delivery areas, in order to promote the reaching of agreement.

(2) In any State in which service delivery areas are redesignated under paragraph (1), private industry councils shall, to the extent necessary for the redesignation, be reconstituted and job training plans modified as required to comply with sections 102 and 103. Services under an approved plan shall not be suspended while the council is reconstituted and the plan is modified.

(d) In any case in which the service delivery area is a State, the plan (or modification) shall be submitted to the Secretary for approval. For the purpose of this subsection, the Secretary shall have the same authority as the Governor has under this section.

PERFORMANCE STANDARDS

SEC. 106. (a) The Congress recognizes that job training is an investment in human capital and not an expense. In order to determine whether that investment has been productive, the Congress finds that—

(1) it is essential that criteria for measuring the return on this investment be developed; and

(2) the basic return on the investment is to be measured by the increased employment and earnings of participants and the reductions in welfare dependency.

(b)(1) The basic measure of performance for adult training programs under title II is the increase in employment and earnings and the reductions in welfare dependency resulting from participation in the program. In order to determine whether these basic measures are achieved, the Secretary shall prescribe standards on the basis of appropriate factors which may include (A) placement in unsubsidized employment, (B) retention in unsubsidized employment, (C) the increase in earnings, including hourly wages, and (D) reduction in the number of individuals and families receiving cash welfare payments and the amounts of such payments.

(2) In prescribing standards under this section the Secretary shall also designate factors for evaluating the performance of youth programs which, in addition to appropriate utilization of the factors described in paragraph (1), shall be (A) attainment of recognized employment competencies recognized by the private industry council, (B) elementary, secondary, and postsecondary school completion, or the equivalent thereof, and (C) enrollment in other training programs or apprenticeships, or enlistment in the Armed Forces.

(3) The standards shall include provisions governing—

(A) the base period prior to program participation that will be used;

(B) a representative period after termination from the program that is a reasonable indicator of postprogram earnings and cash welfare payment reductions; and

(C) cost-effective methods for obtaining such data as is necessary to carry out this section, which, notwithstanding any other provision of law, may include access to earnings records, State employment security records, Federal Insurance Contributions Act records, State aid to families with dependent children records, statistical sampling techniques, and similar records or measures.

(4) The Secretary shall prescribe performance standards relating gross program expenditures to various performance measures.

(c) Within six months after the date of the enactment of this Act, the Secretary shall establish initial performance standards which are designed to contribute to the achievement of the performance goals set forth in subsection (b)(1), based upon data accumulated under the Comprehensive Employment and Training Act, from the National Commission for Employment Policy, and from other appropriate sources. In the development of the initial standards under this subsection, the Secretary shall relate gross program expenditures to the accomplishment of program goals set forth in subsection (b)(1).

(d)(1) The Secretary shall, not later than January 31, 1984, prescribe performance standards for the first program year under this Act to measure the results of the participation in the program to achieve the goals set forth in subsection (b)(1) based upon the initial standards established in subsection (c).

(2) The Secretary, not later than six months after the completion of the first two program years, shall prepare and submit a report to the Congress containing the performance standards established under paragraph (1) of this subsection, together with an analysis of the manner in which the performance standards contribute to the achievement of the goals set forth in subsection (b)(1), including the relative importance of each standard to the accomplishment of such goals.

(3) The Secretary shall prescribe variations in performance standards for special populations to be served, including Native Americans, migrant and seasonal farmworkers, and ex-offenders, taking into account their special circumstances.

(4)(A) The Secretary may modify the performance standards under this subsection not more often than once every two program years and such modifications shall not be retroactive.

(B) The Secretary, shall prepare and submit a report to the Congress containing any modifications established under subparagraph (A), and the reasons for such modifications.

(e) Each Governor may prescribe, within parameters established by the Secretary, variations in the standards under this subsection based upon specific economic, geographic, and demographic factors in the State and in service delivery areas within the State, the characteristics of the population to be served, and the type of services to be provided.

(f) The National Commission for Employment Policy shall (1) advise the Secretary in the development of performance standards under this section for measuring results of participation in job training and in the development of parameters for variations of such standards referred to in subsection (e), (2) evaluate the usefulness of such standards as measures of desired performance, and (3) evaluate the impacts of such standards (intended or otherwise) on the choice of who is served, what services are provided, and the cost of such services in service delivery areas.

(g) The Secretary shall prescribe performance standards for programs under title III based on placement and retention in unsubsidized employment.

(h)(1) The Governor shall provide technical assistance to programs which do not meet performance criteria. If the failure to meet performance standards persists for a second year, the Governor shall impose a reorganization plan. Such plan may restructure the private industry council, prohibit the use of designated service providers or make such other changes as the Governor deems necessary to improve performance. The Governor may also select an alternate entity to administer the program for the service delivery area.

(2) The alternate administrative entity may be a newly formed private industry council or any agency jointly selected by the Governor and the chief elected official of the largest unit of general local government in the service delivery area.

(3) No change may be made under this subsection without an opportunity for a hearing before a hearing officer.

(4) The decision of the Governor may be appealed to the Secretary, who shall make a final decision within 60 days of the receipt of the appeal.

SELECTION OF SERVICE PROVIDERS

SEC. 107. (a) The primary consideration in selecting agencies or organizations to deliver services within a service delivery area shall be the effectiveness of the agency or organization in delivering comparable or related services based on demonstrated performance, in terms of the likelihood of meeting performance goals, cost, quality of training, and characteristics of participants. In complying with this subsection, proper consideration shall be given to community-based organizations as service providers.

(b) Funds provided under this Act shall not be used to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State, or local sources, unless it is demonstrated that alternative services or facilities would be more effective

or more likely to achieve the service delivery area's performance goals.

(c) Appropriate education agencies in the service delivery area shall be provided the opportunity to provide educational services, unless the administrative entity demonstrates that alternative agencies or organizations would be more effective or would have greater potential to enhance the participants' continued occupational and career growth.

(d) The administrative entity shall not fund any occupational skills training program unless the level of skills provided in the program are in accordance with guidelines established by the private industry council.

LIMITATION ON CERTAIN COSTS

SEC. 108. (a) Not more than 15 percent of the funds available to a service delivery area for any fiscal year for programs under part A of title II may be expended for the cost of administration. For purposes of this paragraph, costs of program support (such as counseling) which are directly related to the provision of education or training and such additional costs as may be attributable to the development of training described in section 204(28) shall not be counted as part of the cost of administration.

(b)(1) Not more than 30 percent of the funds available to a service delivery area for any fiscal year for programs under part A of title II may be expended for administrative costs (as defined under subsection (a)) and costs specified in paragraph (2).

(2)(A) For purposes of paragraph (1), the costs specified in this paragraph are—

(i) 50 percent of any work experience expenditures which meet the requirements of paragraph (3);

(ii) 100 percent of the cost of any work experience program expenditures which do not meet the requirements of paragraph (3);

(iii) supportive services; and

(iv) needs-based payments described in section 204(27).

(B) For purposes of paragraph (1), the costs specified in this paragraph do not include expenditures for tryout employment which meets the requirements of section 205(d)(3)(B).

(3) For purposes of paragraph (2), a work experience expenditure meets the requirements of this paragraph if—

(A) the work experience is of not more than 6 months' duration and is combined with a classroom or other training program;

(B) an individual participant is prohibited from participating in any other work experience program following participation in a program meeting the requirements of this paragraph;

(C) the classroom or other training program component is specified in a preemployment contract or meets established academic standards; and

(D) wages paid in the work experience program do not exceed the prevailing entry-level wage for the same occupation in the same labor market area.

(c)(1) Notwithstanding subsection (b), expenditures may be made in excess of the limitation contained in such subsection if such expenditures are made in accordance with the requirements of this subsection.

(2) Expenditures may be made in excess of the limitation contained in subsection (b) in any service delivery area if—

(A) the private industry council for such area initiates a request for such excess costs; and

(B) excess costs are due to one or more of the following conditions in such area:

(i) an unemployment rate (in the service delivery area or that portion within which services resulting in excess costs are to be provided) which exceeds the national average unemployment rate by at least 3 percentage points, and the ratio of current private employment to population in such area or portion is less than the national average of such ratio;

(ii) the job training plan for such area proposes to serve a disproportionately high number of participants from groups requiring exceptional supportive service costs, such as handicapped individuals, offenders, and single heads of households with dependent children;

(iii) the cost of providing necessary child care exceeds one-half of the costs specified in paragraph (2) of subsection (b);

(iv) the costs of providing necessary transportation exceeds one-third of the costs specified in paragraph (2) of subsection (b); or

(v) a substantial portion of the participants in programs in the service delivery area are in training programs of 9 months' duration or more.

(3) Expenditures may be made in excess of the limitation contained in subsection (b) if the need for and the amount of the excess is stated in the job training plan (or modification thereof) for the service delivery area and such plan demonstrates that administrative costs comply with subsection (a) of this section.

(4) The provisions of this subsection shall not be available to the extent that supportive services provided under the job training plan duplicate services provided by any other public or private source that are available to participants without cost.

(5) The Governor shall not disapprove any plan (or modification thereof) on the basis of any statement of the need for and amount of excess costs in the job training plan if such plan or modification meets the requirements of this subsection.

(d) The provisions of this section do not apply to any service delivery area designated pursuant to 101(a)(4)(A)(iii).

(e) This section shall not be construed to exempt programs under an approved plan from the performance standards established under section 106.

PART B—ADDITIONAL STATE RESPONSIBILITIES

GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN

SEC. 121. (a)(1) The Governor shall annually prepare a statement of goals and objectives for job training and placement programs within the State to assist in the preparation of the plans required under section 104 of this Act and section 7(a) of the Act of June 6, 1933 (known as the Wagner-Peyser Act).

(2) Any State seeking financial assistance under this Act shall submit a Governor's coordination and special services plan for two program years to the Secretary describing the use of all resources provided to the State and its service delivery areas under this Act and evaluating the experience over the preceding two years.

(b)(1) The plan shall establish criteria for coordinating activities under this Act (including title III) with programs and services provided by State and local education and training agencies (including vocational education agencies), public assistance agencies, the employment service, rehabilitation agencies, postsecondary institutions, economic development agencies, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State. Such criteria shall not affect local discretion concerning the selection of eligible participants or service providers in accordance with the provisions of sections 107 and 203.

(2) The plan shall describe the projected use of resources, including oversight and support activities, priorities and criteria for State incentive grants, and performance goals for State supported programs.

(3) The Governor shall report to the Secretary the adjustments made in the performance standards and the factors that are used in making the adjustments.

(4) If major changes occur in labor market conditions, funding, or other factors during the two-year period covered by the plan, the State shall submit a modification to the Secretary describing these changes.

(c) Governor's coordination and special services activities may include—

(1) making available to service delivery areas, with or without reimbursement and upon request, appropriate information and technical assistance to assist in developing and implementing plans and programs;

(2) carrying out special model training and employment programs and related services (including programs receiving financial assistance from private sources);

(3) providing programs and related services for offenders and other individuals whom the Governor determines require special assistance;

(4) providing financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas;

(5) providing training opportunities in the conservation and efficient use of energy, and the development of solar energy

sources as defined in section 3 of the Solar Energy Research, Development and Demonstration Act of 1974;

(6) industry-wide training;

(7) activities under title III of this Act;

(8) developing and providing to service delivery areas information on a State and local area basis regarding economic, industrial, and labor market conditions;

(9) providing preservice and inservice training for planning, management, and delivery staffs of administrative entities and private industry councils, as well as contractors for State supported programs; and

(10) providing statewide programs which provide for joint funding of activities under this Act with services and activities under other Federal, State, or local employment-related programs.

(d) A Governor's coordination and special services plan shall be approved by the Secretary unless the Secretary determines that the plan does not comply with specific provisions of this Act.

STATE JOB TRAINING COORDINATING COUNCIL

SEC. 122. (a)(1) Any State which desires to receive financial assistance under this Act shall establish a State job training coordinating council (hereinafter in this section referred to as the "State council"). Funding for the council shall be provided pursuant to section 202(b)(4).

(2) The State council shall be appointed by the Governor, who shall designate one nongovernmental member thereof to be chairperson. In making appointments to the State council, the Governor shall ensure that the membership of the State council reasonably represents the population of the State.

(3) The State council shall be composed as follows:

(A) One-third of the membership of the State council shall be representatives of business and industry (including agriculture, where appropriate) in the State, including individuals who are representatives of business and industry on private industry councils in the State.

(B) Not less than 20 percent of the membership of the State council shall be representatives of the State legislature and State agencies and organizations, such as the State educational agency, the State vocational education board, the State advisory council on vocational education, the State board of education (when not otherwise represented), State public assistance agencies, the State employment security agency, the State rehabilitation agency, the State occupational information coordinating committee, State postsecondary institutions, the State economic development agency, State veterans' affairs agencies or equivalent, and such other agencies as the Governor determines to have a direct interest in employment and training and human resource utilization within the State.

(C) Not less than 20 percent of the membership of the State council shall be representatives of the units or consortia of units of general local government in such State (including those which are administration entities or grantees under this Act)

which shall be nominated by the chief executive officers of the units or consortia of units of general local government; and

(D) Not less than 20 percent of the membership of the State council shall be representatives of the eligible population and of the general public, representatives of organized labor, representatives of community-based organizations, and representatives of local educational agencies (nominated by local educational agencies).

(4) The State council shall meet at such times and in such places as it deems necessary. The meetings shall be publicly announced, and, to the extent appropriate, open and accessible to the general public.

(5) The State council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions under this Act.

(6) In order to assure objective management and oversight, the State council shall not operate programs or provide services directly to eligible participants, but shall exist solely to plan, coordinate, and monitor the provision of such programs and services.

(7) The plans and decisions of the State council shall be subject to approval by the Governor.

(8) For purposes of section 105 of the Vocational Education Act of 1963, the State council shall be considered to be the same as either the State Manpower Services Council referred to in that section or the State Employment and Training Council authorized under the Comprehensive Employment and Training Act.

(b) The State council shall—

(1) recommend a Governor's coordination and special services plan;

(2) recommend to the Governor substate service delivery areas, plan resource allocations not subject to section 202(a), provide management guidance and review for all programs in the State, develop appropriate linkages with other programs, coordinate activities with private industry councils, and develop the State job training report and recommend variations in performance standards;

(3) advise the Governor and local entities on job training plans and certify the consistency of such plans with criteria under the Governor's coordination and special services plan for coordination of activities under this Act with other Federal, State, and local employment-related programs, including programs operated in designated enterprise zones;

(4) review the operation of programs conducted in each service delivery area, and the availability, responsiveness, and adequacy of State services, and make recommendations to the Governor, appropriate chief elected officials, and private industry councils, service providers, the State legislature, and the general public with respect to ways to improve the effectiveness of such programs or services;

(5) review and comment on the State plan developed for the State employment service agency;

(6) make an annual report to the Governor which shall be a public document, and issue such other studies, reports, or docu-

ments as it deems advisable to assist service delivery areas in carrying out the purposes of this Act;

(7)(A) identify, in coordination with the appropriate State agencies, the employment and training and vocational education needs throughout the State, and assess the extent to which employment and training, vocational education, rehabilitation services, public assistance, economic development, and other Federal, State, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs; and

(B) comment at least once annually on the reports required pursuant to section 105(d)(3) of the Vocational Education Act of 1963; and

(8) review plans of all State agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, the State legislature, the State agencies, and the appropriate Federal agencies on the relevancy and effectiveness of employment and training and related service delivery systems in the State.

(c) In addition to the functions described in subsection (b), the Governor may, to the extent permitted by applicable law, transfer functions which are related to functions under this Act to the council established under this section from any State coordinating committee for the work incentive program under title IV of the Social Security Act or any advisory council established under the Wagner-Peyser Act.

STATE EDUCATION COORDINATION AND GRANTS

SEC. 123. (a) The sums available for this section pursuant to section 202(b)(1) shall be used by the Governor to provide financial assistance to any State education agency responsible for education and training—

(1) to provide services for eligible participants through cooperative agreements between such State education agency or agencies, administrative entities in service delivery areas in the State, and (where appropriate) local educational agencies; and

(2) to facilitate coordination of education and training services for eligible participants through such cooperative agreements.

(b) The cooperative agreements described in subsection (a) shall provide for the contribution by the State agency or agencies, and the local educational agency (if any), of a total amount equal to the amount provided, pursuant to subsection (a)(1), in the grant subject to such agreement. Such matching amount shall not be provided from funds available under this Act, but may include the direct cost of employment or training services provided by State or local programs.

(c)(1) Funds available under this section may be used to provide education and training, including vocational education services, and related services to participants under title II. Such services may include services for offenders and other individuals whom the Governor determines require special assistance.

(2)(A) Not more than 20 percent of the funds available under this section may be spent for activities described in clause (2) of subsection (a).

(B) At least 80 percent of the funds available under this section shall be used for clause (1) of subsection (a) for the Federal share of the cost of carrying out activities described in clause (1). For the purpose of this subparagraph, the Federal share shall be the amount provided for in the cooperative agreements in subsection (b).

(3) Not less than 75 percent of the funds available for activities under clause (1) of subsection (a) shall be expended for activities for economically disadvantaged individuals.

(d) If no cooperative agreement is reached on the use of funds under this section, the funds shall be available to the Governor for use in accordance with section 121.

TRAINING PROGRAMS FOR OLDER INDIVIDUALS

SEC. 124. (a) From funds available for use under section 202(b)(2), the Governor is authorized to provide for job training programs which are developed in conjunction with service delivery areas within the State and which are consistent with the plan for the service delivery area prepared and submitted in accordance with the provisions in section 104, and designed to assure the training and placement of older individuals in employment opportunities with private business concerns.

(b) In carrying out this section, the Governor shall, after consultation with appropriate private industry councils and chief elected officials, enter into agreements with public agencies, nonprofit private organizations, and private business concerns.

(c) The Governor shall give consideration to assisting programs involving training for jobs in growth industries and jobs reflecting the use of new technological skills.

(d) An individual shall be eligible to participate in a job training program under this section only if the individual is economically disadvantaged and has attained 55 years of age.

STATE LABOR MARKET INFORMATION PROGRAMS

SEC. 125. (a) In order to be eligible for Federal financial assistance for State labor market information programs under this Act from funds made available under section 202(b)(4), the Governor shall designate the State occupational information coordinating committee or other organizational unit to be responsible for oversight and management of a statewide comprehensive labor market and occupational supply and demand information system, which shall—

(1) design a comprehensive cost-efficient labor market and occupational supply and demand information system which—

(A) is responsive to the economic demand and education and training supply support needs of the State and areas within the State, and

(B) meets the Federal standards under chapter 35 of title 44, United States Code, and other appropriate Federal standards established by the Bureau of Labor Statistics;

(2) standardize available Federal and State multi-agency administrative records and direct survey data sources to produce an employment and economic analysis with a published set of projections for the State and designated areas within the State which, at the minimum, includes—

(A) identification of geographic and occupational areas of potential growth or decline; and

(B) an assessment of the potential impact of such growth or decline on individuals, industries, and communities, including occupational supply and demand characteristics data;

(3) assure, to the extent feasible, that—

(A) automated technology will be used by the State;

(B) administrative records have been designed to reduce paperwork; and

(C) multiple survey burdens on the employers of the State have been reduced;

(4) publish and disseminate labor market and occupational supply and demand information and individualized career information to State agencies, area public agencies, libraries, and private not-for-profit users, and individuals who are in the process of making career decision choices; and

(5) conduct research and demonstration projects designed to improve any aspect of the statewide information system.

(b)(1) The analysis required under clause (2) of subsection (a) shall be used to contribute in carrying out the provisions of this Act, the Vocational Education Act of 1963, and the Act of June 6, 1933, known as the Wagner-Peyser Act.

(2) The assurance required by clause (3) of subsection (a) shall also include that the State will, to the maximum extent possible, assure consolidation of available administrative data and surveys to reduce duplication of recordkeeping of State and local agencies, including secondary and postsecondary educational institutions.

(3) If any Federal funds are used to carry out clause (5) of subsection (a), access to and information on the results will remain in the public domain.

(c) The Secretary through the National Occupational Information Coordinating Committee shall reimburse the States the costs of carrying out the provisions of this section but the aggregate reimbursements in any fiscal year shall not exceed the amount available under part E of title IV for this subsection.

(d) No provision of this part or any other provision of Federal law shall be construed to prohibit any State from combining or consolidating Federal administrative management information reporting requirements relating to employment, productivity, or training, if notice is transmitted by the Governor to the head of each appropriate Federal and State agency responsible for the laws governing the Federal reporting requirements. The notice shall specify the intent to combine or consolidate such requirements. The head of each appropriate Federal agency shall approve the combination or consolidation unless, within sixty days after receiving the notice, the Federal agency can demonstrate that the combination or consolidation will not meet the essential purposes of the affected Federal law.

AUTHORITY OF STATE LEGISLATURE

SEC. 126. Nothing in this Act shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with the provisions of this Act, of the programs assisted under this Act.

INTERSTATE AGREEMENTS

SEC. 127. In the event that compliance with provisions of this Act would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

PART C—PROGRAM REQUIREMENT FOR SERVICE DELIVERY SYSTEM

GENERAL PROGRAM REQUIREMENTS

SEC. 141. Except as otherwise provided, the following conditions are applicable to all programs under this Act:

(a) Each job training plan shall provide employment and training opportunities to those who can benefit from, and who are most in need of, such opportunities and shall make efforts to provide equitable services among substantial segments of the eligible population.

(b) Funds provided under this Act shall only be used for activities which are in addition to those which would otherwise be available in the area in the absence of such funds.

(c) No funds may be used to assist in relocating establishments, or parts thereof, from one area to another such relocation will not result in an increase in unemployment in the area of original location or in any other area.

(d)(1) Training provided with funds made available under this Act shall be only for occupations for which there is a demand in the area served or in another area to which the participant is willing to relocate, and consideration in the selection of training programs may be given to training in occupations determined to be in sectors of the economy which have a high potential for sustained demand or growth.

(2) Efforts shall be made to develop programs which contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping in occupations traditional for the other sex.

(3) Commercially available training packages, including advanced learning technology, may be purchased for off-the-shelf prices and without requiring a breakdown of the cost components of the package if such packages are purchased competitively and include performance criteria.

(e) Only eligible individuals residing in the service delivery area may be served by employment and training activities funded under title II, except that the job training plan may provide for limited exceptions to this requirement.

(f) No member of any council under this Act shall cast a vote on the provision of services by that member (or any organization which

that member directly represents) or vote on any matter which would provide direct financial benefit to that member.

(g) Payments to employers for on-the-job training which shall not, during the period of such training, average more than 50 percent of the wages paid by the employer to such participants, and payments in such amount shall be deemed to be in compensation for the extraordinary costs associated with training participants under this title and in compensation for the costs associated with the lower productivity of such participants.

(h) Funds provided under this Act shall not be used to duplicate facilities or services available in the area (with or without reimbursement) from Federal, State, or local sources, unless the plan establishes that alternative services or facilities would be more effective or more likely to achieve performance goals.

(i) Each administrative entity shall be responsible for the allocation of funds and the eligibility of those enrolled in its programs and shall have responsibility to take action against its subcontractors, subgrantees, and other recipients to eliminate abuses in the programs they are carrying out, and to prevent any misuse of funds by such subcontractors, subgrantees, and other recipients. Administrative entities may delegate the responsibility for determination of eligibility under reasonable safeguards, including provisions for reimbursement of cost incurred because of erroneous determinations made with insufficient care, if such an arrangement is included in an approved job training plan.

(j) No person or organization may charge an individual a fee for the placement or referral of such individual in or to a training program under this Act.

(k) No funds may be provided under this Act for any subsidized employment with any private for-profit employer unless the individual employed is a youth aged 16 to 21, inclusive, who is economically disadvantaged and the employment is provided in accordance with section 205(d)(3)(B).

(l) The Secretary shall not provide financial assistance for any program under this Act which involves political activities.

(m) Pursuant to regulations of the Secretary, income generated under any program may be retained by the recipient to continue to carry out the program, notwithstanding the expiration of financial assistance for that program.

(n) The Secretary shall notify the Governor and the appropriate private industry councils and chief elected officials of, and consult with the Governor and such councils and officials concerning, any activity to be funded by the Secretary under this Act within the State or service delivery area; and the Governor shall notify the appropriate private industry councils and chief elected officials of, and consult with such concerning, any activity to be funded by the Governor under this Act within the service delivery area.

(o)(1) All education programs for youth supported with funds provided under title II shall be consistent with applicable State and local educational standards.

(2) Standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under such title shall be consistent with the requirements of applicable State and local law and regulation.

(p) No funds available under a job training plan may be used for public service employment.

BENEFITS

SEC. 142. (a) Except as otherwise provided in this Act, the following provisions shall apply to all activities financed under this Act:

(1) A trainee shall receive no payments for training activities in which the trainee fails to participate without good cause.

(2) Individuals in on-the-job training shall be compensated by the employer at the same rates, including periodic increases, as similarly situated employees or trainees and in accordance with applicable law, but in no event less than the higher of the rate specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or the applicable State or local minimum wage law.

(3) Individuals employed in activities authorized under this Act shall be paid wages which shall not be less than the highest of (A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938, (B) the minimum wage under the applicable State or local minimum wage law, or (C) the prevailing rates of pay for individuals employed in similar occupations by the same employer.

(b) Allowances, earnings and payments to individuals participating in programs under this Act shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid, other than programs under the Social Security Act.

LABOR STANDARDS

SEC. 143. (a)(1) Conditions of employment and training shall be appropriate and reasonable in light of such factors as the type of work, geographical region, and proficiency of the participant.

(2) Health and safety standards established under State and Federal law, otherwise applicable to working conditions of employees, shall be equally applicable to working conditions of participants. With respect to any participant in a program conducted under this Act who is engaged in activities which are not covered by health and safety standards under the Occupational Safety and Health Act of 1970, the Secretary shall prescribe, by regulation, such standards as may be necessary to protect the health and safety of such participants.

(3) To the extent that a State workers' compensation law is applicable, workers' compensation benefits in accordance with such law shall be available with respect to injuries suffered by participants. To the extent that such law is not applicable, each recipient of funds under this Act shall secure insurance coverage for injuries suffered by such participants, in accordance with regulations prescribed by the Secretary.

(4) All individuals employed in subsidized jobs shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(5) No funds available under this Act may be used for contributions on behalf of any participant to retirement systems or plans.

(b)(1) No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits).

(2) No program shall impair existing contracts for services or collective bargaining agreements, except that no program under this Act which would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(3) No participant shall be employed or job opening filled (A) when any other individual is on layoff from the same or any substantially equivalent job, or (B) when the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under this Act.

(4) No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals.

(c)(1) Each recipient of funds under this Act shall provide to the Secretary assurances that none of such funds will be used to assist, promote, or deter union organizing.

(2) Where a labor organization represents a substantial number of employees who are engaged in similar work or training in the same area as that proposed to be funded under this Act, an opportunity shall be provided for such organization to submit comments with respect to such proposal.

(d) All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Act of March 3, 1921 (40 U.S.C. 276a–276a–5), popularly known as the Davis-Bacon Act. The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)). The provisions of this subsection shall not apply to a bona fide trainee in a training program under this Act. The provisions of section 167(a)(4) shall apply to such trainees.

GRIEVANCE PROCEDURE

SEC. 144. (a) Each administrative entity, contractor, and grantee under this Act shall establish and maintain a grievance procedure for grievances or complaints about its programs and activities from participants, subgrantees, subcontractors, and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made not later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within one year of the alleged occurrence.

(b) Each recipient of financial assistance under this Act which is an employer of participants under this Act shall continue to operate

or establish and maintain a grievance procedure relating to the terms and conditions of employment.

(c) Upon exhaustion of a recipient's grievance procedure without decision, or where the Secretary has reason to believe that the recipient is failing to comply with the requirements of this Act or the terms of the job training plan, the Secretary shall investigate the allegation or belief and determine within 120 days after receiving the complaint whether such allegation or complaint is true.

PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION

SEC. 145. No provision of this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

PART D—FEDERAL AND FISCAL ADMINISTRATIVE PROVISIONS

PROGRAM YEAR

SEC. 161. (a) Beginning with fiscal year 1985 and thereafter, appropriations for any fiscal year for programs and activities under this Act shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(b) Funds obligated for any program year may be expended by each recipient during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with the job training plan.

(c)(1) Appropriations for fiscal year 1984 shall be available both to fund activities for the period between October 1, 1983, and July 1, 1984, and for the program year beginning July 1, 1984.

(2) There are authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this subsection for the transition to program year funding.

PROMPT ALLOCATION OF FUNDS

SEC. 162. (a) All allotments and allocations under this Act shall be based on the latest available data and estimates satisfactory to the Secretary. All data relating to economically disadvantaged and low-income persons shall be based on 1980 Census or later data.

(b) Whenever the Secretary allots and allocates funds required to be allotted or allocated by formula under this Act, the Secretary shall publish in a timely fashion in the Federal Register the proposed amount to be distributed to each recipient.

(c) All funds required to be distributed by formula under this Act shall be allotted within 45 days after enactment of the appropriations, except that, if such funds are appropriated in advance as authorized by section 161, such funds shall be allotted not later than the March 31 preceding the program year for which such funds are to be available for obligation.

(d) Whenever the Secretary utilizes a formula to allot or allocate funds made available for distribution at the Secretary's discretion under this Act, the Secretary shall, not later than 30 days prior to such allotment or allocation, publish such formula in the Federal Register for comments along with the rationale for the formula and the proposed amounts to be distributed to each State and area. After consideration of any comments received, the Secretary shall publish final allotments and allocations in the Federal Register.

(e) Funds shall be made available to the grant recipient for the service delivery area not later than 30 days after the date they are made available to the Governor or 7 days after the date the plan is approved, whichever is later.

MONITORING

Sec. 163. (a) The Secretary is authorized to monitor all recipients of financial assistance under this Act to determine whether they are complying with the provisions of this Act and the regulations issued under this Act.

(b) The Secretary may investigate any matter the Secretary deems necessary to determine compliance with this Act and regulations issued under this Act. The investigations authorized by this subsection may include examining records (including making certified copies thereof), questioning employees, and entering any premises or onto any site in which any part of a program of a recipient is conducted or in which any of the records of the recipient are kept.

(c) For the purpose of any investigation or hearing under this Act, the provisions of section 9 of the Federal Trade Commission Act (15 U.S.C. 49) (relating to the attendance of witnesses and the production of books, papers, and documents) are made applicable to the Secretary.

FISCAL CONTROLS; SANCTIONS

Sec. 164. (a)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds paid to the recipient under titles II and III. The Director of the Office of Management and Budget, in consultation with the Comptroller General of the United States, shall establish guidance for the proper performance of audits. Such guidance shall include a review of fiscal controls and fund accounting procedures established by States under this section.

(2) At least once every two years, the State shall prepare or have prepared an independent financial and compliance audit of each recipient of funds under titles II and III of this Act. Under criteria established by the Director of the Office of Management and Budget, and upon application by the Governor, the Secretary may exempt designated recipients from all or part of the requirements of this section, except that any such exemption shall not apply to the State administering agency, the entity which is the administrative entity for the job training plan for a service delivery area, or a private industry council. Any exemption under this section may be withdrawn by the Secretary in consultation with the Director of the Office of Management and Budget.

(3) Each audit shall be conducted in accordance with applicable auditing standards set forth in the financial and compliance element of the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the Comptroller General of the United States.

(b)(1) Whenever, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this Act or the regulations, and corrective action has not been taken, the Governor may issue a notice of intent to revoke approval of all or part of the plan affected. Such notice may be appealed to the Secretary under the same terms and conditions as the disapproval of the plan and shall not become effective until (A) the time for appeal has expired or (B) the Secretary has issued a decision.

(2) The Governor shall withdraw the notice if the appropriate corrective action has been taken.

(c)(1) The Comptroller General of the United States shall, on a selective basis, evaluate the expenditures by the recipients of grants under this Act in order to assure that expenditures are consistent with the provisions of this Act and to determine the effectiveness of each recipient in accomplishing the purposes of this Act. The Comptroller General shall conduct the evaluations whenever he determines it necessary and he shall periodically report to the Congress on the findings of such evaluations.

(2) Nothing in this Act shall be deemed to relieve the Inspector General of the Department of Labor of his responsibilities under the Inspector General Act.

(3) For the purpose of evaluating and reviewing programs established or provided for by this Act, the Comptroller General shall have access to and the right to copy any books, accounts, records, correspondence, or other documents pertinent to such programs that are in the possession, custody, or control of the State, a private industry council established under section 102 of this Act, any recipient of funds under this Act, or any subgrantee or contractor of such recipients.

(d) Every recipient shall repay to the United States amounts found not to have been expended in accordance with this Act. The Secretary may offset such amounts against any other amount to which the recipient is or may be entitled under this Act unless he determines that such recipient should be held liable pursuant to subsection (d). No such action shall be taken except after notice and opportunity for a hearing have been given to the recipient.

(e)(1) Each recipient shall be liable to repay such amounts, from funds other than funds received under this Act, upon a determination that the misexpenditure of funds was due to willful disregard of the requirements of this Act, gross negligence, or failure to observe accepted standards of administration. No such finding shall be made except after notice and opportunity for a fair hearing.

(2) In determining whether to impose any sanction authorized by this section against a recipient for violations by a subgrantee of such recipient under this Act or the regulations under this Act, the Secretary shall first determine whether such recipient has adequately demonstrated that it has—

(A) established and adhered to an appropriate system for the award and monitoring of contracts with subgrantees which contains acceptable standards for ensuring accountability;

(B) entered into a written contract with such subgrantee which established clear goals and obligations in unambiguous terms;

(C) acted with due diligence to monitor the implementation of the subgrantee contract, including the carrying out of the appropriate monitoring activities (including audits) at reasonable intervals; and

(D) taken prompt and appropriate corrective action upon becoming aware of any evidence of a violation of this Act or the regulations under this Act by such subgrantee.

(3) If the Secretary determines that the recipient has demonstrated substantial compliance with the requirements of paragraph (2), the Secretary may waive the imposition of sanctions authorized by this section upon such recipient. The Secretary is authorized to impose any sanction consistent with the provisions of this Act and any applicable Federal or State law directly against any subgrantee for violation of this Act or the regulations under this Act.

(f) In emergency situations, if the Secretary determines it is necessary to protect the integrity of the funds or ensure the proper operation of the program, the Secretary may immediately terminate or suspend financial assistance, in whole or in part, if the recipient is given prompt notice and the opportunity for a subsequent hearing within 30 days after such termination or suspension. The Secretary shall not delegate any of the functions or authority specified in this subsection, other than to an officer whose appointment was required to be made by and with the advice and consent of the Senate.

(g) If the Secretary determines that any recipient under this Act has discharged or in any other manner discriminated against a participant or against any individual in connection with the administration of the program involved, or against any individual because such individual has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding or investigation under or related to this Act, or otherwise unlawfully denied to any individual a benefit to which that individual is entitled under the provisions of this Act or the Secretary's regulations, the Secretary shall, within thirty days, take such action or order such corrective measures, as necessary, with respect to the recipient or the aggrieved individual, or both.

(h) The remedies under this section shall not be construed to be exclusive remedies.

REPORTS, RECORDKEEPING, AND INVESTIGATIONS

SEC. 165. (a)(1) Recipients shall keep records that are sufficient to permit the preparation of reports required by this Act and to permit the tracing of funds to a level of expenditure adequate to insure that the funds have not been spent unlawfully.

(2) Every recipient shall maintain such records and submit such reports, in such form and containing such information, as the Secretary requires regarding the performance of its programs. Such re-

cords and reports shall be submitted to the Secretary but shall not be required to be submitted more than once each quarter unless specifically requested by the Congress or a committee thereof.

(b)(1)(A) In order to evaluate compliance with the provisions of this Act, the Secretary shall conduct, in several States, in each fiscal year investigations of the use of funds received by recipients under this Act.

(B) In order to insure compliance with the provisions of this Act, the Comptroller General of the United States may conduct investigations of the use of funds received under this Act by any recipient.

(2) In conducting any investigation under this Act, the Secretary or the Comptroller General of the United States may not request the compilation of any new information not readily available to such recipient.

(c) Each State, each administrative entity designated under title I, and each recipient (other than a subrecipient, grantee or contractor of a recipient) receiving funds under this Act shall—

(1) make such reports concerning its operations and expenditures as shall be prescribed by the Secretary, and

(2) prescribe and maintain a management information system, in accordance with guidelines prescribed by the Secretary, designed to facilitate the uniform compilation and analysis of programmatic and financial data, on statewide and service delivery area bases, necessary for reporting, monitoring, and evaluating purposes.

ADMINISTRATIVE ADJUDICATION

Sec. 166. (a) Whenever any applicant for financial assistance under this Act is dissatisfied because the Secretary has made a determination not to award financial assistance in whole or in part to such applicant, the applicant may request a hearing before an administrative law judge of the Department of Labor. A similar hearing may also be requested by any recipient upon whom a corrective action or a sanction has been imposed by the Secretary. Except to the extent provided for in section 167, all other disputes arising under this Act shall be adjudicated under grievance procedures established by the recipient or under applicable law other than this Act.

(b) The decision of the administrative law judge shall constitute final action by the Secretary unless, within 20 days after receipt of the decision of the administrative law judge, a party dissatisfied with the decision or any part thereof has filed exceptions with the Secretary specifically identifying the procedure, fact, law, or policy to which exception is taken. Any exception not specifically urged shall be deemed to have been waived. Thereafter the decision of the administrative law judge shall become the final decision of the Secretary unless the Secretary, within 30 days of such filing, has notified the parties that the case has been accepted for review.

(c) Any case accepted for review by the Secretary shall be decided within one hundred and eighty days of such acceptance. If not so decided, the decision of the administrative law judge shall become the final decision of the Secretary.

(d) The provisions of section 168 of this Act shall apply to any final action of the Secretary under this section.

NONDISCRIMINATION

SEC. 167. (a)(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded or otherwise financially assisted in whole or in part under this Act are considered to be programs and activities receiving Federal financial assistance.

(2) No individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

(3) Participants shall not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(4) With respect to terms and conditions affecting, or rights provided to, individuals who are participants in activities supported by funds provided under this Act, such individuals shall not be discriminated against solely because of their status as such participants.

(5) Participation in programs and activities financially assisted in whole or in part under this Act shall be open to citizens and nationals of the United States, lawfully admitted permanent resident aliens, lawfully admitted refugees and parolees, and other individuals authorized by the Attorney General to work in the United States.

(b) Whenever the Secretary finds that a State or other recipient has failed to comply with a provision of law referred to in subsection (a)(1), with paragraph (2), (3), (4), or (5) of subsection (a), or with an applicable regulation prescribed to carry out such paragraphs, the Secretary shall notify such State or recipient and shall request it to comply. If within a reasonable period of time, not to exceed sixty days, the State or recipient fails or refuses to comply, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act, as may be applicable; or

(3) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever the Attorney General has reason to believe that a State or other recipient is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of paragraph (2), (3), (4), or (5) or subsection (a), the Attorney General may bring a civil action in any appropriate dis-

trict court of the United States for such relief as may be appropriate, including injunctive relief.

(d) For purposes of this section Job Corps members shall be considered as the ultimate beneficiaries of Federal financial assistance.

JUDICIAL REVIEW

Sec. 168. (a)(1) With respect to any final order by the Secretary under section 166 whereby the Secretary determines to award, to not award, or to only conditionally award, financial assistance, with respect to any final order of the Secretary under section 166 with respect to a corrective action or sanction imposed under section 164, and with respect to a denial of an appeal under sections 101(4)(C) or 105(b)(2), any party to a proceeding which resulted in such final order may obtain review of such final order in the United States Court of Appeals having jurisdiction over the applicant or recipient of funds, by filing a review petition within 30 days of such final order.

(2) The clerk of the court shall transmit a copy of the review petition to the Secretary who shall file the record upon which the final order was entered as provided in section 2112 of title 28, United States Code. Review petitions unless ordered by the court, shall not stay the Secretary's order. Petitions under this Act shall be heard expeditiously, if possible within ten days of the filing of a reply brief.

(3) No objection to the order of the Secretary shall be considered by the court unless the objection shall have been specifically and timely urged before the Secretary. Review shall be limited to questions of law and the Secretary's findings of fact shall be conclusive if supported by substantial evidence.

(b) The court shall have jurisdiction to make and enter a decree affirming, modifying, or setting aside the order of the Secretary in whole or in part. The court's judgment shall be final, subject to certiorari review by the Supreme Court of the United States as provided in section 1254(1) of title 28, United States Code.

ADMINISTRATIVE PROVISIONS

Sec. 169. (a) The Secretary may, in accordance with chapter 5 of title 5, United States Code, prescribe such rules and regulations (including performance standards) as the Secretary deems necessary. Such rules and regulations may include adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968. All such rules and regulations shall be published in the Federal Register at least thirty days prior to their effective date. Copies of all such rules and regulations shall be transmitted to the appropriate committees of the Congress at the same time and shall contain, with respect to each material provision of such rules and regulations, citations to the particular substantive section of law which is the basis therefor.

(b) The Secretary is authorized, in carrying out this Act, to accept, purchase, or lease in the name of the department, and employ or dispose of in furtherance of the purposes of this Act, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise, and to accept voluntary and un-

compensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes of the United States.

(c) The Secretary may make such grants, contracts, or agreements, establish such procedures and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds under this Act as necessary to carry out this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments.

(d) The Secretary shall prepare and submit to the Congress an annual report for employment and training programs. The Secretary shall include in such report—

(1) a summary of the achievements, failures, and problems of the programs authorized in this Act in meeting the objective of this Act;

(2) a summary of major findings from research, evaluation, pilot projects, and experiments conducted in the previous fiscal year;

(3) recommendations for program modifications based upon analysis of such findings; and

(4) such other recommendations for legislative or administrative action as the Secretary deems appropriate.

(e) The Secretary shall develop methods to ascertain, and shall ascertain annually, energy development and conservation employment impact data by type and scale of energy technologies used. The Secretary shall present the best available data to the Secretary of Energy, the Secretary of Housing and Urban Development, and the Director of the Office of Management and Budget as part of the budgetary process and to the appropriate Committees of Congress annually.

UTILIZATION OF SERVICES AND FACILITIES

SEC. 170. The Secretary is authorized, in carrying out this Act, and to the extent permitted by law other than this Act, to accept and use the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized to accept and use the services and facilities of the agencies of any State or political subdivision of a State, with its consent.

OBLIGATIONAL AUTHORITY

SEC. 171. Notwithstanding any other provision of this Act, no authority to enter into contracts or financial assistance agreements under this Act shall be effective except to such extent or in such amount as are provided in advance in appropriation Acts.

PART E—MISCELLANEOUS PROVISIONS

TRANSITION

SEC. 181. (a) Except as otherwise provided in this section, the Secretary, from funds appropriated pursuant to this Act or pursuant to the Comprehensive Employment and Training Act, shall provide financial assistance under this Act in the same manner that such as-

sistance was provided under the Comprehensive Employment and Training Act (as in effect on the day before the enactment of this Act) until September 30, 1983.

(b) The Commission established by title V of the Comprehensive Employment and Training Act shall continue to be authorized until September 30, 1983, and on such date the personnel, property, and records of such Commission shall be transferred to the Commission established by part E of title IV of this Act.

(c) Notwithstanding the provisions of subsection (a), Governors, prime sponsors, and other recipients of financial assistance under this Act, or under the Comprehensive Employment and Training Act, may expend funds received under this Act, or under the Comprehensive Employment and Training Act, prior to October 1, 1983, in order to—

(1) administer consolidated programs formed by the combining of programs previously administered under different titles, parts, and subparts of the Comprehensive Employment and Training Act;

(2) establish for new participants, in accordance with the eligibility criteria for title II of this Act, uniform eligibility criteria and other provisions relating to participation for programs consolidated pursuant to paragraph (1);

(3) conduct planning for any program or activity authorized under this Act; and

(4) conduct any other activity deemed necessary by the recipient to provide for an orderly transition to the operation, as of October 1, 1983, of programs under this Act.

(d) All orders, determinations, rules, regulations, permits, grants, contracts, certificates, licenses, and privileges, which have been issued under the Comprehensive Employment and Training Act (as in effect on the date before the date of enactment of this Act), or which are issued under that Act on or before September 30, 1983, shall continue in effect until modified or revoked by the Secretary, by a court of competent jurisdiction, or by operation of law other than this Act.

(e) The provisions of this Act shall not affect administrative or judicial proceedings pending on the date of enactment of this Act, or begun between the date of enactment of this Act and September 30, 1984, under the Comprehensive Employment and Training Act.

(f)(1) By January 1, 1983, the Secretary shall have published in the Federal Register final regulations governing the establishment of the State job training coordinating councils and the designation of service delivery areas.

(2) By January 15, 1983, the Secretary shall have published in the Federal Register final regulations governing the establishment of private industry councils.

(3) By March 15, 1983, the Secretary shall have published in the Federal Register final regulations governing all aspects of programs under title II of this Act not described in paragraphs (1) and (2) of this subsection.

(4) All other regulations for programs under this Act shall take effect no later than October 1, 1983.

(5) Pursuant to section 169(a) of this Act the rules described in paragraphs (1), (2), and (3) of this section shall take effect thirty

days after publication. In promulgating the rules described in paragraphs (1), (2), and (3), the Secretary shall be exempt from all requirements of law regarding rulemaking procedures except that such rules, prior to their publication in final form, shall be published in the Federal Register for comment for thirty days in the case of rules under paragraphs (2) and (3) and twenty days in the case of rules under paragraph (1).

(6) The Secretary may subsequently modify rules issued pursuant to paragraphs (1), (2), and (3) but, with respect to the program period October 1, 1983, to June 30, 1984, such subsequent rules shall not affect the legitimacy of any State job training coordinating council or private industry council, or the composition of any service delivery area, established under the rules issued pursuant to paragraphs (1) or (2). In addition, with respect to the program period October 1, 1983, to June 30, 1984, no modifications of the rules published pursuant to paragraph (3) shall be effective unless they are published in final form by May 15, 1983.

(7) Upon the certification of any private industry council under section 102(g) the Secretary, from discretionary funds appropriated under this Act or Comprehensive Employment Training Act, for fiscal year 1983, may provide up to $80,000 to each such council to assist it in performing its functions under section 103.

(g) Notwithstanding any other provision of law, any real or nonexpendable personal property, which was acquired on or before September 30, 1983, by prime sponsors (including by their contractors or subrecipients) with funds under the Comprehensive Employment and Training Act or under this Act, and with respect to which the Secretary reserved the right to take title, shall be transferred, as of October 1, 1983, from such prime sponsors to the custody of the entity which is administering programs under title II of this Act in the geographic area in which such property is located. Such transfer shall be subject to the Secretary's rights in such property, which shall continue unchanged.

(h) Funds for fiscal year 1982 allocated to areas served by prime sponsors or to other recipients under the Comprehensive Employment and Training Act, which were not obligated by the prime sponsor or other recipient prior to the end of such fiscal year, shall remain available for obligation by the prime sponsor or other recipient during fiscal year 1983. No reduction shall be made in the allocation for any area served by such a prime sponsor from appropriations to carry out this Act for fiscal year 1983 on account of the carryover of such funds from fiscal year 1982 to fiscal year 1983.

(i) The amendments made by sections 501 and 502 shall be effective October 1, 1983, but, the Secretary is authorized to use funds appropriated for fiscal year 1983 to plan for the orderly implementation of such amendments.

(j)(1) In order to facilitate the development of a service delivery area's job training plan for the program period October 1, 1983, to June 30, 1984, the various time limits contained in this Act which pertain to the planning process shall not be applicable, except that the job training plan must be submitted to the Governor by August 31, 1983. This provision shall apply only to the time limits and shall not apply to any of the required planning procedures, or to the required chronological order of such procedures except that the job

training plan and budget need only be for the October 1, 1983 to June 30, 1984 program period.

(2) In order to facilitate planning for the program period October 1, 1983, to June 30, 1984, the local agreement or agreements between the private industry council and the appropriate chief elected official or officials may provide for interim procedures applicable only to that program. Such interim agreements may also, notwithstanding the provisions of section 107, authorize service deliverers under the Comprehensive Employment and Training Act or under this Act during fiscal year 1983 to continue as service deliverers under the program as established by this Act for such period.

(3) The performance standards described in section 106 shall apply to service delivery areas for the program period October 1, 1983, to June 30, 1984. No service delivery area, however, shall suffer a penalty for not meeting such standards during that initial program period.

(k) All participants who are in programs funded under this Act, or under the Comprehensive Employment and Training Act, on September 30, 1983, shall be eligible to continue to participate in such programs, provided such programs have been approved for funding under the service delivery area's newly effective job training plan.

CRIMINAL PROVISIONS

SEC. 182. Section 665 of title 18, United States Code, is amended to read as follows:

"THEFT OR EMBEZZLEMENT FROM EMPLOYMENT AND TRAINING FUNDS: IMPROPER INDUCEMENT: OBSTRUCTION OF INVESTIGATIONS

"SEC. 665. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with any agency or organization receiving financial assistance or any funds under the Comprehensive Employment and Training Act or the Job Training Partnership Act knowingly enrolls an ineligible participant, embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a financial assistance agreement or contract pursuant to such Act shall be fined not more than $10,000 or imprisoned for not more than 2 years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, such person shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

"(b) Whoever, by threat or procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a financial assistance agreement or contract under the Comprehensive Employment and Training Act or the Job Training Partnership Act induces any person to give up any money or thing of any value to any person (including such organization or agency receiving funds) shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.

"(c) Any person whoever willfully obstructs or impedes or willfully endeavors to obstruct or impede, an investigation or inquiry under the Comprehensive Employment and Training Act or the Job Training Partnership Act, or the regulations thereunder, shall be pun-

ished by a fine of not more than $5,000, or by imprisonment for not more than 1 year, or by both such fine and imprisonment.".

REFERENCE

SEC. 183. Effective on the date of enactment of this Act, all references in any other statute other than this Act, and other than in section 665 of title 18, United States Code, to the Comprehensive Employment and Training Act shall be deemed to refer to the Job Training Partnership Act.

REPEALERS

SEC. 184. (a) Effective on the date of enactment of this Act—

(1) the Comprehensive Employment and Training Act is repealed;

(2) section 5(b) of the Comprehensive Employment and Training Act Amendments of 1978 is repealed.

TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

PART A—ADULT AND YOUTH PROGRAMS

ALLOTMENT

SEC. 201. (a) Not more than $5,000,000 of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

(b)(1) Subject to the provisions of paragraph (2), of the remainder of the amount available for this part for each fiscal year—

(A) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

(B) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States;

(C) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged individuals within the State compared to the total number of economically disadvantaged individuals in all States, except that, for the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii), the allotment shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged individuals in such area.

(2)(A) No State shall receive less than one-quarter of 1 percent of the amounts available for allotment under this subsection for each such fiscal year.

(B) No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made. For the purpose of this subparagraph, the

allotment percentage for each State for the fiscal year 1982 is the percent that each State received in 1982, pursuant to the formula allocations made under the Comprehensive Employment and Training Act, of the total such formula allocations for all States made under that Act in fiscal year 1982. For each succeeding fiscal year, the allotment percentage of a State shall be the percentage which the State received of all allotments pursuant to this subsection.

(3) For purposes of paragraph (1)—

(A) the term "excess number" means the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State, or the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

(B) the term "economically disadvantaged" means an individual who has, or is a member of a family which has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level.

WITHIN STATE ALLOCATION

SEC. 202. (a)(1) The Governor shall, in accordance with section 162, allocate 78 percent of the allotment of the State (under section 201(b)) for such fiscal year among service delivery areas within the State in accordance with paragraph (2).

(2) Of the amount allocated under this subsection—

(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total excess number of such unemployed individuals in all such areas of substantial unemployment in the State;

(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State;

(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged individuals within each service delivery area compared to the total number of economically disadvantaged individuals in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged individuals in such area.

(3) For the purpose of this section—

(A) the term "excess number" means the number which represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area or the number which represents the number of unemployed individ-

uals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area; and

(B) the term "economically disadvantaged" means an individual who has, or is a member of a family which has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) which, in relation to family size, was not in excess of the higher of (i) the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (ii) 70 percent of the lower living standard income level.

(b)(1) Eight percent of the allotment of each State (under section 201(b)) for each fiscal year shall be available to carry out section 123, relating to State education programs under this Act.

(2) Three percent of such allotment of each State for each fiscal year shall be available to carry out section 124, relating to training programs for older individuals.

(3)(A) Six percent of such allotment of each State for each fiscal year shall be available to carry out subparagraph (B) of this paragraph.

(B) The amount reserved under subparagraph (A) of this paragraph shall be used by the Governor to provide incentive grants for programs exceeding performance standards, including incentives for serving hard-to-serve individuals. The incentive grants made under this subparagraph shall be distributed among service delivery areas within the State exceeding their performance standards in an equitable proportion based on the degree by which the service delivery areas exceed their performance standards. If the full amount reserved under subparagraph (A) of this paragraph is not needed to make incentive grants under this subparagraph, the Governor shall use the amount not so needed for technical assistance to service delivery areas in the State which do not qualify for incentive grants under this subparagraph.

(4) Five percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for the cost of auditing activities, for administrative activities, and for other activities under sections 121 and 122.

ELIGIBILITY FOR SERVICES

SEC. 203. (a)(1) Except as provided in paragraph (2), an individual shall be eligible to particpate in programs receiving assistance under this title only if such individual is economically disadvantaged.

(2) Up to 10 percent of the participants in all programs in a service delivery area receiving assistance under this part may be individuals who are not economically disadvantaged if such individuals have encountered barriers to employment. Such individuals may include, but are not limited to, those who have limited English-language proficiency, or are displaced homemakers, school dropouts, teenage parents, handicapped, older workers, veterans, offenders, alcoholics, or addicts.

(b)(1) Funds provided under this part shall be used in accordance with the job training plan to provide authorized services to disadvantaged youth and adults. Except as provided in paragraphs (2)

and (3), not less than 40 percent of the funds available for such services shall be expended to provide such services to eligible youth.

(2) To the extent that the ratio of economically disadvantaged youth to economically disadvantaged adults in the service delivery area differs from the ratio of such individuals nationally (as published by the Secretary), the amount which shall be required to expend for services for youth under paragraph (1) shall be reduced or increased proportionately in accordance with regulations prescribed by the Secretary.

(3) Recipients of payments made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act who are required to, or have, registered under section 402(a)(19) of that Act and eligible school dropouts shall be served on an equitable basis, taking into account their proportion of economically disadvantaged persons sixteen years of age or over in the area. For purposes of this subparagraph, a school dropout is an individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

(4) In each service delivery area the ratio of participants in on-the-job training assisted under this title in the public sector to participants in such training in the private sector shall not exceed the ratio between civilian governmental employment and nongovernmental employment in such area.

(c) For purposes of this title—

(1) the term "youth" means an individual who is aged 16 through 21, and

(2) the term "adult" means an individual who is 22 years of age or older.

USE OF FUNDS

SEC. 204. Services which may be made available to youth and adults with funds provided under this title may include, but need not be limited to—

(1) job search assistance,

(2) job counseling,

(3) remedial education and basic skills training,

(4) institutional skill training,

(5) on-the-job training,

(6) programs of advanced career training which provide a formal combination of on-the-job and institutional training and internship assignments which prepare individuals for career employment,

(7) training programs operated by the private sector, including those operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply,

(8) outreach to make individuals aware of, and encourage the use of employment and training services,

(9) specialized surveys not available through other labor market information sources,

(10) programs to develop work habits and other services to individuals to help them obtain and retain employment,

(11) supportive services necessary to enable individuals to participate in the program and to assist them in retaining employment for not to exceed 6 months following completion of training,

(12) upgrading and retraining,

(13) education-to-work transition activities,

(14) literacy training and bilingual training,

(15) work experience,

(16) vocational exploration,

(17) attainment of certificates of high school equivalency,

(18) job development,

(19) employment generating activities to increase job opportunities for eligible individuals in the area,

(20) pre-apprenticeship programs,

(21) disseminating information on program activities to employers,

(22) use of advanced learning technology for education, job preparation, and skills training,

(23) development of job openings,

(24) on-site industry-specific training programs supportive of industrial and economic development,

(25) followup services with participants placed in unsubsidized employment,

(26) coordinated programs with other Federal employment-related activities,

(27) needs-based payments necessary to participation in accordance with a locally developed formula or procedure, and

(28) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of that training.

EXEMPLARY YOUTH PROGRAMS

SEC. 205. (a) In addition to the services for youth which may be available in accordance with section 204, the job training plan may, at the option of those responsible for its preparation, elect to include one or more of the exemplary youth programs described in subsections (b) through (e) of this section, each of which may modified by the plan to accommodate local conditions.

(b)(1) The job training plan may provide for the conduct of an "education for employment program" for eligible youth who have not attained a high school diploma or who have educational deficiencies despite the attainment of a diploma, with priority given to high school dropouts.

(2) The education for employment programs may provide for the maintenance of a network of learning centers offering individualized or group instruction in convenient locations, such as schools, neighborhood organizations, libraries, and other sites, including mobile vans in rural areas.

(3) The curricula provided by such network shall be designed to prepare the student to meet State and locally determined general education diploma and basic education competency requirements.

(4) For purposes of this section, priority shall be given in the selection of service providers to previously funded in-school and community based organization projects which are both cost-effective and of demonstrated success, and which otherwise meet criteria under this Act.

(c)(1) The job training plan may provide for the conduct of a "preemployment skills training program" for youth, and individuals aged 14 and 15, with priority be given to those individuals who do not meet established levels of academic achievement and who plan to enter the full-time labor market upon leaving school.

(2) The preemployment skill training program may provide youth up to 200 hours of instruction and activities.

(3) The instruction and activities may include—

(A) assessment, testing, and counseling;

(B) occupational career and vocational exploration;

(C) job search assistance;

(D) job holding and survival skills training;

(E) basic life skills training;

(F) remedial education;

(G) labor market information; and

(H) job-seeking skills training.

(d)(1) The job training plan may provide for the conduct of an "entry employment experience program" for youth who—

(A) have completed preemployment skills training or its equivalent;

(B) have not recently held a regular part-time or summer job for more than 250 hours of paid employment, except that this paragraph may be waived in accordance with criteria established in the job training plan; and

(C) are enrolled in a secondary school or an institution offering a certified high school equivalency program and are meeting or have met the minimum academic and attendance requirements of that school or education program during the current or most recent term,

with priority given to youth who do not plan to continue on to postsecondary education.

(2) Entry employment experiences may be up to 20 hours weekly during the school year or full time during the summer and holidays, for a total of not to exceed 500 hours of entry employment experience for any individual. Such experiences shall be appropriately supervised, including the maintenance of standards of attendance and worksite performance.

(3) Entry employment experiences may be one of the following types:

(A) Full-time employment opportunities in public and private nonprofit agencies during the summer and on a part-time basis in combination with education and training activities. These jobs shall provide community improvement services that complement local expenditures.

(B) Tryout employment at private for-profit worksites, or at public and private nonprofit worksites when private for-profit worksites are not available. Compensation in lieu of wages for tryout employment shall be paid by the grant recipient, but the

length of any assignment to a tryout employment position shall not exceed 250 hours. Tryout employment positions shall be ones for which participants would not usually be hired (because of lack of experience or other barriers to employment), and vacancies in such positions may not be refilled if the previous participant completed the tryout employment but was not hired by the employer.

(C) Cooperative education programs to coordinate educational programs with work in the private sector.

(e)(1) The job training plan may provide for the conduct of a "school-to-work transition assistance program" for youth who are—

(A) high school seniors who plan to enter the full-time labor market upon graduation, with priority to seniors in high schools having a predominance of students from families with incomes below 70 percent of the lower living standard income level; and

(B) dropouts, with followup as immediately as possible after leaving school.

(2) Transition services include—

(A) provision of occupational information;
(B) short-duration job search assistance;
(C) job clubs;
(D) placement and job development; and
(E) followup.

(3) Seniors and dropouts who are eligible for and in need of training activities may provide information and, where appropriate, referred to—

(A) preemployment skills training, entry employment experience, and remedial education;
(B) adult training activities; and
(C) the Job Corps.

PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS

AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION

SEC. 251. (a) From the funds appropriated under section 3(b), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made.

(b) The remainder of sums appropriated pursuant to section 3(b) shall be allotted among States in accordance with section 201(b) and allocated among service delivery areas within States in accordance with section 202(a) (2) and (3).

USE OF FUNDS

SEC. 252. Funds available under this part may be used for—

(1) basic and remedial education, institutional and on-the-job training, work experience programs, employment counseling, occupational training preparation for work, outreach and enrollment activities, employability assessment, job referral and

placement, job search and job club activities, and any other employment or job training activity designed to give employment to eligible individuals or prepare them for, and place them in, employment; and

(2) supportive services necessary to enable such individuals to participate in the program.

LIMITATIONS

SEC. 253. (a) Programs under this part shall be conducted during the summer months.

(b) Except as provided in subsection (c), individuals eligible under this part shall be economically disadvantaged youth.

(c) Eligible individuals aged 14 or 15 shall, if appropriate and set forth in the job training plan, be eligible for summer youth programs under this part.

APPLICABLE PROVISIONS

SEC. 254. Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this part as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II.

TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

ALLOCATION OF FUNDS

SEC. 301. (a) From the amount appropriated to carry out this title for any fiscal year, the Secretary may reserve up to 25 percent of such amount for use by the States in accordance with subsection (c).

(b) The Secretary shall allot the remainder of the amount appropriated to carry out this title for any fiscal year among the States as follows:

(1) One-third of the remainder of such amount shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all the States.

(2) One-third of the remainder of such amount shall be allotted among the States on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States. For purposes of this paragraph, the term "excess number" means the number which represents unemployed individuals in excess of 4.5 percent of the civilian labor force in the State.

(3) One-third of the remainder of such amount shall be allotted among the States on the basis of the relative number of individuals who have been unemployed for fifteen weeks or more and who reside in each State as compared to the total number of such individuals in all the States.

(c) The Secretary shall make available the sums reserved under subsection (a) for the purpose of providing training, retraining, job search assistance, placement, relocation assistance, and other aid (including any activity authorized by section 303) to individuals who are affected by mass layoffs, natural disasters, Federal Government actions (such as relocations of Federal facilities), or who reside in areas of high unemployment or designated enterprise zones. In order to qualify for assistance from funds reserved by the Secretary under subsection (a), a State shall, in accordance with regulations promulgated by the Secretary establishing criteria for awarding assistance from such funds, submit an application identifying the need for such assistance and the types of, and projected results expected from, activities to be conducted with such funds.

(d) The Secretary is authorized to reallot any amount of any allotment to a State to the extent that the Secretary determines that the State will not be able to obligate such amount within one year of allotment.

IDENTIFICATION OF DISLOCATED WORKERS

SEC. 302. (a) Each State is authorized to establish procedures to identify substantial groups of eligible individuals who—

(1) have been terminated or laid-off or who have received a notice of termination or lay-off from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;

(2) have been terminated, or who have received a notice of termination of employment, as a result of any permanent closure of a plant or facility; or

(3) are long-term unemployed and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside, including any older individuals who may have substantial barriers to employment by reason of age.

(b) The State may provide for the use of the private industry councils established under title I of this Act to assist in making the identification established under subsection (a).

(c)(1) Whenever a group of eligible individuals is identified under subsection (a), the State, with the assistance of the private industry council, shall determine what, if any, job opportunities exist within the local labor market area or outside the labor market area for which such individuals could be retrained.

(2) The State shall determine whether training opportunities for such employment opportunities exist or could be provided within the local labor market area.

(d) Whenever training opportunities pursuant to subsection (c) are identified, information concerning the opportunities shall be made available to the individuals. The acceptance of training for such opportunities shall be deemed to be acceptance of training with the approval of the State within the meaning of any other provision of Federal law relating to unemployment benefits.

AUTHORIZED ACTIVITIES

SEC. 303. (a) Financial assistance provided to States under this title may be used to assist eligible individuals to obtain unsubsidized employment through training and related employment services which may include, but are not limited to—

(1) job search assistance, including job clubs,

(2) job development,

(3) training in jobs skills for which demand exceeds supply,

(4) supportive services, including commuting assistance and financial and personal counseling,

(5) pre-layoff assistance,

(6) relocation assistance, and

(7) programs conducted in cooperation with employers or labor organizations to provide early intervention in the event of closures of plants or facilities.

(b) Relocation assistance may be provided if the State determines (1) that the individual cannot obtain employment within the individual's commuting area, and (2) that the individual has secured suitable long-duration employment or obtained a bona fide job offer in a relocation area in a State.

MATCHING REQUIREMENT

SEC. 304. (a)(1) In order to qualify for financial assistance under this title, a State shall demonstrate, to the satisfaction of the Secretary, that it will expend for purposes of services assisted under this title, an amount from public or private non-Federal sources equal to the amount made available to that State under section 301(b).

(2) Whenever the average rate of unemployment for a State is higher than the average rate of unemployment for all States, the non-Federal matching funds described in paragraph (1) required to be provided by such State for that fiscal year shall be reduced by 10 percent for each 1 percent, or portion thereof, by which the average rate of unemployment for that State is greater than the average rate of unemployment for all States.

(3) The Secretary shall determine the average rate of unemployment for a State and the average rate of unemployment for all States for each fiscal year on the basis of the most recent twelve-month period prior to that fiscal year.

(b)(1) Such non-Federal matching funds shall include the direct cost of employment or training services under this title provided by State or local programs (such as vocational education), private nonprofit organizations, or private for-profit employers.

(2) Funds expended from a State fund to provide unemployment insurance benefits to an eligible individual for purposes of this title and who is enrolled in a program of training or retraining under this title may be credited for up to 50 percent of the funds required to be expended from non-Federal sources as required by this section.

PROGRAM REVIEW

SEC. 305. Except for programs of assistance operated on a statewide or industry-wide basis, no program of assistance conducted with funds made available under this title may be operated *within any service delivery area without a 30-day period for review and recommendation by the private industry council and appropriate chief elected official or officials for such area. The State shall consider the recommendation of such private industry council and chief elected official or officials before granting final approval of such program, and in the event final approval is granted contrary to such recommendation, the State shall provide the reasons therefore in writing to the appropriate private industry council and chief elected official or officials.*

CONSULTATION WITH LABOR ORGANIZATIONS

SEC. 306. Any assistance program conducted with funds made available under this title which will provide services to a substantial number of members of a labor organization shall be established only after full consultation with such labor organization.

LIMITATIONS

SEC. 307. (a) Except as provided in subsection (b), there shall be available for supportive services, wages, allowances, stipends, and costs of administration, not more than 30 percent of the Federal funds available under this title in each State.

(b) The funds to which the limitation described in subsection (a) applies shall not include the funds referred to in section 301(a). In no event shall such limitation apply to more than 50 percent of the total amount of Federal and non-Federal funds available to a program.

STATE PLANS; COORDINATION WITH OTHER PROGRAMS

SEC. 308. Any State which desires to receive financial assistance under this title shall submit to the Secretary a plan for the use of such assistance which shall include appropriate provisions for the coordination of programs conducted with such assistance, as described in section 121, low-income weatherization and other energy conservation programs, and social services.

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

NATIVE AMERICAN PROGRAMS

SEC. 401. (a) The Congress finds that (1) serious unemployment and economic disadvantages exist among members of Indian, Alaskan Native, and Hawaiian Native communities; (2) there is a compelling need for the establishment of comprehensive training and employment programs for members of those communities; and (3) such programs are essential to the reduction of economic disadvantages among individual members of those communities and to the advancement of economic and social development in the communities consistent with their goals and lifestyles.

(b) The Congress therefore declares that, because of the special relationship between the Federal Government and most of the indi-

viduals to be served by the provisions of this section, (1) such programs shall be administered at the national level; (2) such programs shall be available to federally recognized Indian tribes, bands, and groups and to other groups and individuals of Native American descent; and (3) such programs shall be administered in such a manner as to maximize the Federal commitment to support growth and development as determined by representatives of the communities and groups served by this section.

(c)(1)(A) In carrying out responsibilities under this section, the Secretary shall, wherever possible, utilize Indian tribes, bands, or groups on Federal or State reservations, Oklahoma Indians, and including for the purpose of this Act, Alaska Native villages or groups as defined in the Alaska Native Claims Settlement Act, having a governing body for the provision of employment and training services under this section. When the Secretary determines that such tribe, band, or group has demonstrated the capability to effectively administer a comprehensive employment and training program, the Secretary shall require such tribe, band, or group to submit a comprehensive plan meeting such requirements as the Secretary prescribes.

(B) The Secretary shall arrange for programs to meet the employment and training needs of Hawaiian natives through such organizations as the Secretary determines will best meet their needs.

(2) In carrying out responsibilities under this section, the Secretary shall make arrangements with organizations (meeting requirements prescribed by the Secretary) serving nonreservation Native Americans for programs and projects designed to meet the needs of such Native Americans for employment and training and related services.

(d) Whenever the Secretary determines not to utilize Indian tribes, bands, or groups for the provision of employment and training services under this section, the Secretary shall, to the maximum extent feasible, enter into arrangements for the provision of such services with organizations which meet with the approval of the tribes, bands, or groups to be served.

(e) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of Native American employment and training programs authorized under this Act.

(f) Funds available for this section shall be expended for programs and activities consistent with the purposes of this section including but not limited to such programs and activities carried out by recipients under other provisions of this Act.

(g) No provision of this section shall abrogate in any way the trust responsibilities of the Federal Government to Native American bands, tribes, or groups.

(h)(1) The Secretary shall, after consultation with representatives of Indians and other Native Americans, prescribe such rules, regulations, and performance standards relating to Native American programs under this section as may be required to meet the special circumstances under which such programs operate.

(2) Recipients of funds under this section shall establish performance goals, which shall, to the extent required by the Secretary,

comply with performance standards established by the Secretary pursuant to section 103.

(i) The Secretary shall provide technical assistance as necessary to tribes, bands, and groups eligible for assistance under this section.

(j) For the purpose of carrying out this section, the Secretary shall reserve, from funds available for this title (other than part B) for any fiscal year, an amount equal to 3.3 percent of the amount available for part A of title II of this Act for such fiscal year.

MIGRANT AND SEASONAL FARMWORKER PROGRAMS

SEC. 402. (a) The Congress finds and declares that—

(1) chronic seasonal unemployment and underemployment in the agricultural industry, aggravated by continual advancements in technology and mechanization resulting in displacement, constitute a substantial portion of the Nation's rural employment problem and substantially affect the entire national economy; and

(2) because of farmworker employment and training problems, such programs shall be centrally administered at the national level.

(b) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of migrant and seasonal employment and training programs authorized under this Act.

(c)(1) The Secretary shall provide services to meet the employment and training needs of migrant and seasonal farmworkers through such public agencies and private nonprofit organizations as the Secretary determines to have an understanding of the problems of migrant and seasonal farmworkers, a familiarity with the area to be served, and a previously demonstrated capability to administer effectively a diversified employability development program for migrant and seasonal farmworkers. In awarding any grant or contract for services under this section, the Secretary shall use procedures consistent with standard competitive Government procurement policies.

(2) The Secretary may approve the designation of grantees under this section for a period of two years.

(3) Programs and activities supported under this section, including those carried out under other provisions of this Act, shall enable farmworkers and their dependents to obtain or retain employment, to participate in other program activities leading to their eventual placement in unsubsidized agricultural or nonagricultural employment, and to participate in activities leading to stabilization in agricultural employment, and shall include related assistance and supportive services.

(4) Recipients of funds under this section shall establish performance goals, which shall, to the extent required by the Secretary, comply with performance standards established by the Secretary pursuant to section 103.

(5) No programs and activities supported under this section shall preclude assistance to farmworkers under any other provision of this Act.

(d) In administering programs under this section, the Secretary shall consult with appropriate State and local officials.

(e) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the selection, administration, monitoring, and evaluation of Native American employment and training programs authorized under this Act.

(f) For the purpose of carrying out this section, the Secretary shall reserve, from funds available for this title (other than part B) for any fiscal year, an amount equal to 3.2 percent of the amount available for part A of title II of this Act for such fiscal year.

PART B—JOB CORPS

STATEMENT OF PURPOSE

SEC. 421. This part maintains a Job Corps for economically disadvantaged young men and women which shall operate exclusively as a distinct national program, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. The purpose of this part is to assist young individuals who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of national, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

ESTABLISHMENT OF THE JOB CORPS

SEC. 422. There shall be within the Department of Labor a "Job Corps".

INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

SEC. 423. To become an enrollee in the Job Corps, a young man or woman must be an eligible youth who—

(1) has attained age 14 but not attained age 22 at the time of enrollment, except that such maximum age limitation may be waived, in accordance with regulations of the Secretary, in the case of any handicapped individual;

(2) is economically disadvantaged or is a member of a family which is economically disadvantaged, and who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular school work, qualify for other suitable training programs, or satisfy Armed Forces requirements;

(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorient-

ing conditions as to substantially impair prospects for successful participation in other programs providing needed training, education, or assistance;

(4) is determined, after careful screening as provided for in sections 424 and 425 to have the present capabilities and aspirations needed to complete and secure the full benefit of the Job Corps and to be free of medical and behavioral problems so serious that the individual could not adjust to the standards of conduct, discipline, work, and training which the Job Corps involves; and

(5) meets such other standards for enrollment as the Secretary may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

SCREENING AND SELECTION OF APPLICANTS: GENERAL PROVISIONS

SEC. 424. (a) The Secretary shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps. To the extent practicable, these rules shall be implemented through arrangements with agencies and organizations such as community action agencies, public employment offices, entities administering programs under title II of this Act, professional groups, labor organizations, and agencies and individuals having contact with youth over substantial periods of time and able to offer reliable information as to their needs and problems. The rules shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. The rules shall also provide for the interviewing of each applicant for the purpose of—

(1) determining whether the applicant's educational and vocational needs can best be met through the Job Corps or an alternative program in the applicant's home community;

(2) obtaining from the applicant pertinent data relating to background, needs, and interests for determining eligibility and potential assignment; and

(3) giving the applicant a full understanding of the Job Corps and what will be expected of an enrollee in the event of acceptance.

(b) The Secretary is authorized to make payments to individuals and organizations for the cost of the recruitment, screening, and selection of candidates, as provided for in this part. The Secretary shall make no payments to any individual or organization solely as compensation for referring the names of candidates for Job Corps.

(c) The Secretary shall assure that Job Corps enrollees include an appropriate number of candidates selected from rural areas, taking into account the proportions of eligible youth who reside in rural areas and the need to provide residential facilities for such youth.

SCREENING AND SELECTION: SPECIAL LIMITATIONS

SEC. 425. (a) No individual shall be selected as an enrollee unless there is reasonable expectation that the individual can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the mainte-

nance of sound discipline and satisfactory relationships between the center to which the individual might be assigned and surrounding communities, and unless the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe those rules.

(b) An individual on probation or parole may be selected only if release from the supervision of the probation or parole officials is satisfactory to those officials and the Secretary and does not violate applicable laws or regulations. No individual shall be denied a position in the Job Corps solely on the basis of that individual's contact with the criminal justice system.

ENROLLMENT AND ASSIGNMENT

SEC. 426. (a) No individual may be enrolled in the Job Corps for more than two years, except in any case in which completion of an advanced career program under section 428 would require an individual to participate in excess of two years, or except as the Secretary may authorize in special cases.

(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(c) After the Secretary has determined that an enrollee is to be assigned to a Job Corps center, the enrollee shall be assigned to the center which is closest to the enrollee's home, except that the Secretary may waive this requirement for good cause, including to ensure an equitable opportunity for youth from various sections of the Nation to participate in the program, to prevent undue delays in assignment, to adequately meet the educational or other needs of an enrollee, and for efficiency and economy in the operation of the program.

JOB CORPS CENTERS

SEC. 427. (a)(1) The Secretary may make agreements with Federal, State, or local agencies, including a State board or agency designated pursuant to section 104(a)(1) of the Vocational Education Act of 1963 which operates or wishes to develop area vocational education school facilities or residential vocational schools (or both) as authorized by such Act, or private organizations for the establishment and operation of Job Corps centers. Job Corps centers may, subject to paragraph (2), be residential or nonresidential in character, or both, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include Civilian Conservation Centers, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest. The centers shall also include training centers located in either urban or rural areas which shall provide activities including training and other services for specific types of skilled or semiskilled employment.

(2) In any year, not more than 10 percent of the individuals enrolled in the Job Corps may be nonresidential participants.

(b) To the extent feasible, Job Corps centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in other programs under this Act. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Secretary may specify.

PROGRAM ACTIVITIES

SEC. 428. (a) Each Job Corps center shall provide enrollees with an intensive, well-organized, and fully supervised program of education, vocational training, work experience, planned vocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program shall include activities to assist enrollees in choosing realistic career goals, coping with problems they may encounter in home communities, or in adjusting to new communities, and planning and managing their daily affairs in a manner that will best contribute to long-term upward mobility. Center programs shall include required participation in center maintenance work to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

(b) The Secretary may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes, whenever such institutions provide training substantially equivalent in cost and quality to that which the Secretary could provide through other means.

(c) To the extent feasible, arrangements for education, both at the center and at other locations, shall provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school. The Secretary, with the concurrence of the Secretary of Education, shall develop certificates to be issued to each enrollee who satisfactorily completes service in the Job Corps and which will reflect the enrollee's level of educational attainment.

(d)(1) The Secretary may arrange for programs of advanced career training for selected Corps enrollees in which they may continue to participate for a period not to exceed one year in addition to the period of participation to which Corps enrollees would otherwise be limited.

(2) Advanced career training may be provided for in postsecondary institutions for Corps enrollees who have attained a high school diploma or its equivalent, have demonstrated commitment and capacity in their previous Job Corps participation, and have an identified occupational goal.

(3) The Secretary may contract with private for-profit businesses and labor unions to provide intensive training in company-sponsored training programs, combined with internships in work settings.

(4) During the period of participation in advanced career training programs, Corps enrollees shall be eligible for full Job Corps benefits or a monthly stipend equal to the average value of residential support, food, allowances, and other benefits in residential Job

Corps centers, except that the total amount for which an enrollee shall be eligible shall be reduced by the amount of any scholarship or other educational grant assistance received by such enrollee.

(5) After an initial period of time, determined to be reasonable by the Secretary, any Job Corps center seeking to enroll new Corps enrollees in any advanced career training program shall demonstrate that such program has achieved a reasonable rate of completion and placement in training-related jobs before such new enrollments may occur.

ALLOWANCES AND SUPPORT

SEC. 429. (a) The Secretary shall provide enrollees with such personal, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. For the fiscal year ending September 30, 1983, personal allowances shall be established at a rate not to exceed $65 per month during the first six months of an enrollee's participation in the program and not to exceed $110 per month thereafter, except that allowances in excess of $65 per month, but not exceeding $110 per month, may be provided from the beginning of an enrollee's participation if it is expected to be of less than six months' duration and the Secretary is authorized to pay personal allowances in excess of the rates specified in this subsection in unusual circumstances as determined by him. Such allowances shall be graduated up to the maximum so as to encourage continued participation in the program, achievement and the best use by the enrollee of the funds so provided and shall be subject to reduction in appropriate cases as a disciplinary measure. To the degree reasonable, enrollees shall be required to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

(b) The Secretary shall prescribe rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months' service in the Job Corps.

(c) The Secretary may provide each former enrollee upon termination, a readjustment allowance at a rate not to exceed, for the fiscal year ending September 30, 1983, $110 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance unless he has remained in the program at least 90 days, except in unusual circumstances as determined by the Secretary. The Secretary may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowances as the Secretary deems necessary to meet extraordinary financial obligations incurred by that enrollee. The Secretary is authorized, pursuant to rules or regulations, to reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

(d) Such portion of the readjustment allowance as prescribed by the Secretary may be paid monthly during the period of service of the enrollee directly to a spouse or child of an enrollee, or to any other relative who draws substantial support from the enrollee, and any amount so paid shall be supplemented by the payment of an equal amount by the Secretary.

STANDARDS OF CONDUCT

SEC. 430. (a) Within Job Corps centers standards of conduct shall be provided and stringently enforced. If violations are committed by enrollees, dismissal from the Corps or transfers to other locations shall be made if it is determined that their retention in the Corps, or in the particular center, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees.

(b) To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees, including dismissal from the Job Corps, subject to expeditious appeal to the Secretary.

COMMUNITY PARTICIPATION

SEC. 431. The Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers and nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Youth shall be represented on the advisory council and separate youth councils may be established composed of enrollees and young people from the communities. The Secretary shall assure that each center is operated with a view to achieving, so far as possible, objectives which shall include—

(1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community;

(2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees;

(3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community;

(4) encouraging the fullest practicable participation of enrollees in programs for community improvement or betterment, with appropriate advance consultation with business, labor, professional, and other interested community groups;

(5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together;

(6) providing community residents with opportunities to work with enrollees directly as part-time instructors, tutors, or advisers, either in the center or in the community;

(7) developing, where feasible, job or career opportunities for enrollees in the community; and

(8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and com-

munity schools and libraries, educational institutions, agencies serving young people and recipients of funds under this Act.

COUNSELING AND JOB PLACEMENT

SEC. 432. (a) The Secretary shall counsel and test each enrollee at regular intervals to measure progress in educational and vocational programs.

(b) The Secretary shall counsel and test enrollees prior to their scheduled terminations to determine their capabilities and shall make every effort to place them in jobs in the vocation for which they are trained or to assist them in attaining further training or education. In placing enrollees in jobs, the Secretary shall utilize the public employment service system to the fullest extent possible.

(c) The Secretary shall determine the status and progress of enrollees scheduled for termination and make every effort to assure that their needs for further education, training, and counseling are met.

(d) The Secretary shall arrange for the readjustment allowance to be paid to former enrollees (who have not already found employment) at the State employment service office nearest the home of any such former enrollee who is returning home, or at the nearest such office where the former enrollee has indicated an intent to reside. If the Secretary uses any other public agency or private organization in lieu of the public employment service system, the Secretary shall arrange for that organization or agency to pay the readjustment allowance.

EXPERIMENTAL AND DEVELOPMENTAL PROJECTS AND COORDINATION WITH OTHER PROGRAMS

SEC. 433. (a)(1) The Secretary is authorized to undertake experimental, research, or demonstration projects to develop or test ways of better using facilities, encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in their period of enrollment, reducing transportation and support costs, or otherwise promoting greater efficiency and effectiveness in the program. These projects shall include one or more projects providing youth with education, training, and other supportive services on a combined residential and nonresidential basis.

(2) The Secretary is authorized to undertake one or more pilot projects designed to determine the value of Job Corps participation for young adults aged 22 to 24, inclusive.

(3) The Secretary is authorized to undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavorial aberrations.

(4) Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the administrative entity in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available for projects under this section to the extent they include the same or substantially similar activities. The Secre-

tary is authorized to waive any provision of this part which the Secretary finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. The Secretary shall, in the annual report of the Secretary, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

(b) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum use of existing educational and training facilities, the Secretary, in cooperation with the Secretary of Education, is authorized to enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers.

(c)(1) The Secretary, through the Job Corps and activities authorized under sections 452 and 455, shall develop and implement activities designed to disseminate information gained from Job Corps program experience which may be of use in the innovation and improvement of related programs. To carry out this purpose, the Secretary may enter into appropriate arrangements with any Federal or State agency.

(2) The Secretary is authorized to develop Job Corps programs to test at various centers the efficacy of selected education or training activities authorized under this or any other Act and to appropriately disseminate the results of such tests. To carry out this purpose, the Secretary may enter into appropriate arrangements with any Federal or State agency.

(d) The Secretary is authorized to enter into appropriate arrangements with the Secretary of Defense for the development of pilot projects at Job Corps centers to prepare youth to qualify for military service. In the event that the Secretary of Labor and the Secretary of Defense agree that such pilot projects should be expanded into permanent programs, the Secretary may establish such permanent programs within the Job Corps, if the Secretary of Defense agrees (1) to provide 50 percent of the costs attributable to such permanent programs, and (2) to reimburse the Secretary of Labor for an additional amount if more than 50 percent of the enrollees in such programs become members of the Armed Forces. Such additional amount shall be equal to a percentage of such costs which is the percentage by which more than 50 percent of such enrollees become such members. In addition to the provision of funds, such reimbursement may include the provision of equipment, materials, transportation, technical assistance, or other assistance, as specified by the Secretary.

(e) In order to determine whether community participation as required under section 431 can be improved through the closer involvement of community-based organizations, the Secretary is authorized to undertake one or more pilot projects utilizing community-based organizations of demonstrated effectiveness for Job Corps center operation. For purposes of such pilot projects, the term "community-based organizations" may include nonprofit educational foundations organized on a State or local basis.

ADVISORY BOARDS AND COMMITTEES

Sec. 434. The Secretary is authorized to make use of advisory committees in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

PARTICIPATION OF THE STATES

Sec. 435. (a) The Secretary shall take action to facilitate the effective participation of States in the Job Corps programs, including consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

(b) The Secretary is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Secretary is authorized, pursuant to regulations, to pay part or all of the costs of such programs to the extent such costs are attributable to carrying out the purpose of this part.

(c) No Job Corps center or other similar facility designed to carry out the purpose of this part shall be established within a State unless a notice setting forth such proposed establishment has been submitted to the Governor, and the establishment has not been disapproved by the Governor within thirty days of such submission.

(d) All property which would otherwise be under exclusive Federal legislative jurisdiction shall be under concurrent jurisdiction with the appropriate State and locality with respect to criminal law enforcement as long as a Job Corps center is operated on such property.

APPLICATION OF PROVISIONS OF FEDERAL LAW

Sec. 436. (a) Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.) enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term "employee"

as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except—

(A) the term "performance of duty" shall not include any act of an enrollee while absent from the assigned post of duty of such enrollee, except while participating in an activity (including an activity while on pass or during travel to or from such post or duty) authorized by or under the direction and supervision of the Job Corps;

(B) in computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

(C) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

(b) Whenever the Secretary finds a claim for damages to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, the Secretary is authorized to adjust and settle it in an amount not exceeding $1,500.

(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

SPECIAL PROVISIONS

SEC. 437. (a) The Secretary shall immediately take steps to achieve an enrollment of 50 percent women in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

(b) The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the Job Corps program shall become the property of the United States.

(c) Transactions conducted by private for-profit contractors for Job Corps centers which they are operating on behalf of the Secretary shall not be considered as generating gross receipts.

GENERAL PROVISIONS

SEC. 438. The Secretary is authorized to—

(1) disseminate, with regard to the provisions of section 3204 of title 39, United States Code, data and information in such forms as the Secretary shall deem appropriate, to public agencies, private organizations, and the general public;

(2) collect or compromise all obligations to or held by the Secretary and all legal or equitable rights accruing to the Secretary in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection; and

(3) expend funds made available for purposes of this part—

(A) for printing and binding, in accordance with applicable law and regulation; and

(B) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by the Secretary, except that the Secretary shall not utilize the authority contained in this subparagraph—

(i) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this part, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form or under the conditions in which it is needed; and

(ii) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of the Secretary's intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority.

DONATIONS

SEC. 439. The Secretary is authorized to accept on behalf of the Job Corps or individual Job Corps centers charitable donations of cash or other assistance, including but not limited to, equipment and materials, if such donations are available for appropriate use for the purposes set forth in this part.

PART C—VETERANS' EMPLOYMENT PROGRAMS

PROGRAMS AUTHORIZED

SEC. 441. (a)(1) The Secretary shall conduct, directly or through grant or contract, programs to meet the employment and training needs of service-connected disabled veterans, veterans of the Vietnam era, and veterans who are recently separated from military service.

(2) Programs supported under this part may be conducted through public agencies and private nonprofit organizations, including recipients under other provisions of this Act that the Secretary determines have an understanding of the unemployment problems of such veterans, familiarity with the area to be served, and the capability to administer effectively a program of employment and training assistance for such veterans.

(3) Programs supported under this part shall include, but not be limited to—

(A) activities to enhance services provided veterans by other providers of employment and training services funded by Federal, State, or local government;

(B) activities to provide employment and training services to such veterans not adequately provided by other public employment and training service providers; and

(C) outreach and public information activities to develop and promote maximum job and job training opportunities for such veterans and to inform such veterans about employment, job-training, on-the-job training and educational opportunities under this Act, under title 38, United States Code, and under other provisions of law.

(b)(1) The Secretary shall administer programs supported under this part through the Assistant Secretary for Veterans' Employment.

(2) In carrying out responsibilities under this part, the Assistant Secretary for Veterans' Employment shall—

(A) be responsible for the awarding of grants and the distribution of funds under this part and for the establishment of appropriate fiscal controls, accountability, and program-performance standards for grant recipients under this part; and

(B) consult with the Administrator of Veterans' Affairs and take steps to ensure that programs supported under this part are coordinated, to the maximum extent feasible, with related programs and activities conducted under title 38, United States Code, including programs and activities conducted under subchapter IV of chapter 3 of such title, chapters 31 and 34 of such title, and sections 612A, 620A, 1787, and 2003A of such title.

PART D—NATIONAL ACTIVITIES

MULTISTATE PROGRAMS

SEC. 451. (a) Funds available to carry out this section shall be used for job training programs or services (as authorized under any other provision of this Act) which are most appropriately administered at the national level and which are operated in more than one State.

(b) Programs which are most appropriately administered at the national level include programs such as—

(1) programs addressed to industry-wide skill shortages;

(2) programs designed to train workers for employment opportunities located in another State;

(3) regional or nationwide efforts to develop a labor force with skills that promote the use of renewable energy technologies, energy conservation, and the weatherization of homes occupied by low-income families;

(4) programs designed to develop information networks among local programs with similar objectives under this Act; and

(5) programs which require technical expertise available at the national level and which serve specialized needs of particular client groups, including offenders, individuals of limited English language proficiency, handicapped individuals, women, single parents, displaced homemakers, youth, older workers, individuals who lack education credentials, public assistance re-

cipients, and other individuals whom the Secretary determines require special assistance.

RESEARCH AND DEMONSTRATION

SEC. 452. (a) To assist the Nation in expanding work opportunities and assuring access to those opportunities for all who desire it, the Secretary shall establish a comprehensive program of employment and training research, utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the Nation's employment and training problems. The program under this section may include studies concerning the development or improvement of Federal, State, local, and privately supported employment and training programs; labor market processes and outcomes; policies and programs to reduce unemployment and the relationships thereof with price stability and other national goals; productivity of labor; improved means of forecasting and using forecasts of labor supply and demand at the national and subnational levels; methods of improving the wages and employment opportunities of low-skilled and disadvantaged workers; measuring and developing policies to eliminate worker shortages; and easing the transition from school to work, from transfer payment receipt to self-sufficiency, from one job to another, and from work to retirement.

(b) The Secretary shall establish a program of experimental, developmental, and demonstration projects, through grants or contracts, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting employment and training problems. Research activities may include studies, experiments, demonstrations, and pilot projects in such areas as easing the transition from school to work, assessing the changing demographics of the American work-force and addressing the short-term and long-term impact of the changes, increasing employment of skilled workers critical to defense readiness, and, subject to the last sentence of this subsection, projects developed in conjunction with the Secretary of Defense to meet civilian manpower needs on military installations and in the private sector, and eliminating artificial barriers to employment. The Secretary may pay not to exceed 60 percent of the costs of projects developed in conjunction with the Secretary of Defense described in the preceding sentence, and the contributions of the Department of Defense may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

PILOT PROJECTS

SEC. 453. (a) From funds made available under this part, the Secretary may provide financial assistance for pilot projects which meet the employment-related needs of persons including the handicapped and displaced homemakers who face particular disadvantages in specific and general labor markets or occupations and other persons whom the Secretary determines require special assistance and projects designed to address skill shortages that affect other critical national objectives, including national security.

(b) Each pilot project assisted under this section shall be designed to assist in eliminating artificial and other employment barriers faced by such persons.

(c) No project under this section shall be financially assisted for more than three years under this Act.

(d) In selecting recipients under this section, the Secretary shall give special consideration to applications submitted by community-based organizations of demonstrated effectiveness, as well as to labor unions, and trade associations and their affiliates that address nationwide concerns through programs operating in more than one State.

EVALUATION

Sec. 454. (a) The Secretary shall provide for the continuing evaluation of all programs, activities, and research and demonstration projects conducted pursuant to this Act, including their cost-effectiveness in achieving the purposes of this Act, their impact on communities and participants, their implication for related programs, the extent to which they meet the needs of persons by age, sex, race, and national origin, and the adequacy of the mechanism for the delivery of services.

(b) The Secretary shall evaluate the effectiveness of programs authorized under this Act and part C of title II of the Social Security Act with respect to the statutory goals, the performance standards established by the Secretary, and of increases in employment and earnings for participants, reduced income, support costs, increased tax revenues, duration in training and employment situations, information on the post-enrollment labor market experience of program participants for at least a year following their termination from such programs, and comparable information on other employees or trainees of participating employers.

TRAINING AND TECHNICAL ASSISTANCE

Sec. 455. (a) The Secretary, in consultation with appropriate officials, shall provide directly or through grants, contracts, or other arrangements, appropriate preservice and inservice training for specialized, supportive, supervisory, or other personnel, including job skills teachers, and appropriate technical assistance (including technical assistance to training programs for housing for migrant and seasonal farmworkers) with respect to programs under this Act, including the development and attainment of performance goals. Such activities may include the utilization of training and technical assistance capabilities which exist at the State and service delivery area level.

(b) The Secretary shall establish a national clearinghouse to disseminate materials and information gained from exemplary program experience which may be of use in the innovation or improvement of other programs conducted pursuant to this Act.

PART E—LABOR MARKET INFORMATION

LABOR MARKET INFORMATION; AVAILABILITY OF FUNDS

SEC. 461. (a) The Secretary shall set aside, out of sums available to the Department for any fiscal year including sums available for this title, such sums as may be necessary to maintain a comprehensive system of labor market information on a national, regional, State, local, or other appropriate basis, which shall be made publicly available in a timely fashion.

(b) Funds available for purposes of this part shall also be available for purposes of section 125 (relating to State labor market information).

(c) Notwithstanding any other provision of law, funds available to other Federal agencies for carrying out chapter 35 of title 44, United States Code, the Vocational Education Act of 1963, and the Act of June 6, 1933 (popularly known as the Wagner-Peyser Act), may be made available by the head of each such agency to assist in carrying out the provisions of this part.

COOPERATIVE LABOR MARKET INFORMATION PROGRAM

SEC. 462. (a) The Secretary shall develop and maintain for the Nation, State, and local areas, current employment data by occupation and industry, based on the occupational employment statistics program, including selected sample surveys, and projections by the Bureau of Labor Statistics of employment and openings by occupation.

(b) The Secretary shall maintain descriptions of job duties, training and education requirements, working conditions, and characteristics of occupations.

(c) In carrying out the provisions of this section, the Secretary shall assure that—

(1) departmental data collecting and processing systems are consolidated to eliminate overlap and duplication;

(2) the criteria of chapter 35 of title 44, United States Code, are met; and

(3) standards of statistical reliability and national standardized definitions of employment, unemployment, and industrial and occupational definitions are used.

(d)(1) The Secretary is authorized to develop data for an annual statistical measure of labor market related economic hardship in the Nation. Among the factors to be considered in developing such a measure are unemployment, labor force participation, involuntary part-time employment, and full-time employment at wages less than the poverty level.

(2) The Secretary is authorized to develop and maintain, on national, State, local, and other appropriate bases, household budget data at different levels of living, including a level of adequacy, to reflect the differences of household living costs in regions and localities, both urban and rural.

(3) The Secretary shall publish, at least annually, a report relating labor force status to earnings and income.

(e) The Secretary shall develop and maintain statistical data relating to permanent lay-offs and plant closings. The Secretary shall

publish a report based upon such data, as practicable, after the end of each calendar year. Among the data to be included are—

(1) the number of such closings;
(2) the number of workers displaced;
(3) the location of the affected facilities; and
(4) the types of industries involved.

SPECIAL FEDERAL RESPONSIBILITIES

SEC. 463. (a) The Secretary, in cooperation with the Secretary of Commerce, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Education, and the Director of the Office of Management and Budget, through the National Occupational Information Coordinating Committee established under section 161(b) of the Vocational Education Act of 1963, shall—

(1) review the need for and the application of all operating national data collection and processing systems in order to identify gaps, overlap, and duplications, and integrate at the national level currently available data sources in order to improve the management of information systems;

(2) maintain, assure timely review, and implement national standardized definitions with respect to terms, geographic areas, timing of collection, and coding measures, to the maximum extent feasible; and

(3) provide technical assistance to the States in the development, maintenance, and utilization of labor market/occupational supply and demand information systems and projections of supply and demand as described in section 125, with special emphasis on assistance in the utilization of cost-efficient automated systems and improving access of individuals to career opportunities information in local and State labor markets.

(b) The Secretary, in cooperation with the Secretary of Defense, shall assure the development of an integrated occupational supply and demand information system to be used by States and, in particular, in secondary and postsecondary educational institutions in order to assure young persons adequate information on career opportunities in the Armed Forces.

(c) The Secretary and the Director of the Office of Management and Budget shall assure that, from the funds reserved for this part, sufficient funds are available to provide staff at the Federal level to assure the coordination functions described in this section.

NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE

SEC. 464. (a)(1) Of the amounts available for this part, not more than $5,000,000 is authorized to be reserved for the National Occupational Information Coordinating Committee (established pursuant to section 161(b) of the Vocational Education Act of 1963).

(2) In addition to the members required by such Act, the Committee shall include the Assistant Secretary of Commerce for Economic Development and the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics.

(3) Not less than 75 percent of the funds transferred by the Secretary to the National Occupational Information Coordinating Committee shall be used to support State occupational information co-

ordinating committees and other organizational units designated under section 125 for carrying out State labor market information programs.

(b) In addition to its responsibilities under the Vocational Education Act of 1963, the National Occupational Information Coordinating Committee shall—

(1) carry out the provisions of section 463;

(2) give special attention to the labor market information needs of youth and adults, including activities such as (A) assisting and encouraging States to adopt methods of translating national occupational outlook information into State and local terms; (B) assisting and encouraging the development of State occupational information systems, including career information delivery systems and the provision of technical assistance for programs of on-line computer systems and other facilities to provide career information at sites such as local schools, public employment service offices, and job training programs authorized under this Act; (C) in cooperation with educational agencies and institutions, encouraging programs providing career information, counseling, and employment services for postsecondary youth; and (D) in cooperation with State and local correctional agencies, encouraging programs of counseling and employment services for youth and adults in correctional institutions;

(3) provide training and technical assistance, and continuing support to State occupational information coordinating committees, in the development, maintenance, and use of occupational supply and demand information systems, with special emphasis on the use of cost efficient automated systems for delivering occupational information to planners and administrators of education and training programs and on improving the access of such planners and administrators to occupational information systems;

(4) publish at least annually a report on the status of occupational information capabilities at the State and national levels, which may include recommendations for improvement of occupational information production and dissemination capabilities;

(5) conduct research and demonstration projects designed to improve any aspect of occupational and career information systems;

(6) provide technical assistance for programs designed to encourage public and private employers to list all available job opportunities with occupational information and career counseling programs conducted by administrative entities and with local public employment service offices and to encourage cooperation and contact among such employers and such administrative entities and public employment service offices; and

(7) providing assistance to units of general local government and private industry councils to familiarize them with labor market information resources available to meet their needs.

(c) All funds available to the National Occupational Information Coordinating Committee under this Act, under section 161 of the Vocational Education Act of 1963, and under section 12 of the

Career Education Act may be used by the Committee to carry out any of its functions and responsibilities authorized by law.

JOB BANK PROGRAM

SEC. 465. The Secretary is authorized to establish and carry out a nationwide computerized job bank and matching program (including the listing of all suitable employment openings with local offices of the State employment service agencies by Federal contractors and subcontractors and providing for the affirmative action as required by section 2012(a) of title 38, United States Code) on a regional, State, and local basis, using electronic data processing and telecommunications systems to the maximum extent possible for the purpose of identifying sources of available individuals and job vacancies, providing an expeditious means of matching the qualifications of unemployed, underemployed, and economically disadvantaged individuals with employer requirements and job opportunities, and referring and placing such individuals in jobs. An occupational information file may be developed, containing occupational projections of the numbers and types of jobs on regional, State, local, and other appropriate bases, as well as labor supply information by occupation.

PART F—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

STATEMENT OF PURPOSE

SEC. 471. The purpose of this part is to establish a National Commission for Employment Policy which shall have the responsibility for examining broad issues of development, coordination, and administration of employment and training programs, and for advising the President and the Congress on national employment and training issues. For the purpose of providing funds for the Commission, the Secretary shall reserve $2,000,000 of the sums appropriated for this title for each fiscal year.

COMMISSION ESTABLISHED

SEC. 472. (a) There is established a National Commission for Employment Policy (hereinafter in this part referred to as the "Commission"). The Commission shall be composed of 15 members, appointed by the President. The members of the Commission shall be individuals who are nationally prominent and the Commission shall be broadly representative of agriculture, business, labor, commerce, education (including elementary, secondary, postsecondary, and vocational and technical education), veterans, current State and local elected officials, community-based organizations, assistance programs, and members of the general public with expertise in human resource development or employment and training policy. One of the members shall be a representative of the National Advisory Council on Vocational Education (established under section 162 of the Vocational Education Act of 1963). The membership of the Commission shall be generally representative of significant segments of the labor force, including women and minority groups.

(b) The term of office of each member of the Commission appointed by the President under subsection (a) shall be three years, except that—

(1) any such member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and

(2) of such members first taking office—

(A) five shall serve for terms of one year;

(B) five shall serve for terms of two years; and

(C) five shall serve for terms of three years;

as designated by the President at the time of appointment.

(c)(1) The Chairman shall be selected by the President.

(2) The Commission shall meet not fewer than three times each year at the call of the Chairman.

(3) A majority of the members of the Commission shall constitute a quorum, but a lesser number may conduct hearings. Any recommendation may be passed only by a majority of the members present. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

(d) The Chairman (with the concurrence of the Commission) shall appoint a Director, who shall be chief executive officer of the Commission and shall perform such duties as are prescribed by the Chairman.

FUNCTIONS OF THE COMMISSION

SEC. 473. The Commission shall—

(1) identify the employment goals and needs of the Nation, and assess the extent to which employment and training, vocational education, institutional training, vocational rehabilitation, economic opportunity programs, public assistance policies, employment-related tax policies, labor exchange policies, and other policies and programs under this Act and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals;

(2) develop and make appropriate recommendations designed to meet the needs and goals described in clause (1);

(3) examine and evaluate the effectiveness of federally assisted employment and training programs (including programs assisted under this Act), with particular reference to the contributions of such programs to the achievement of objectives sought by the recommendations made under clause (2);

(4) advise the Secretary on the development of national performance standards and the parameters of variations of such standards for programs conducted pursuant to this Act;

(5) evaluate the impact of tax policies on employment and training opportunities;

(6) examine and evaluate major Federal programs which are intended to, or potentially could, contribute to achieving major objectives of existing employment and training and related legislation or the objectives set forth in the recommendations of the Commission, and particular attention shall be given to the programs which are designed, or could be designed, to develop

information and knowledge about employment and training problems through research and demonstration projects or to train personnel in fields (such as occupational counseling, guidance, and placement) which are vital to the success of employment and training programs;

(7)(A) identify, after consultation with the National Advisory Council on Vocational Education, the employment and training and vocational education needs of the Nation and assess the extent to which employment and training, vocational education, rehabilitation, and other programs assisted under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs; and

(B) comment, at least once annually, on the reports of the National Advisory Council on Vocational Education, which comments shall be included in one of the reports submitted by the National Commission pursuant to this title and in one of the reports submitted by the National Advisory Council on Vocational Education pursuant to section 162 of the Vocational Education Act of 1963;

(8) study and make recommendations on how, through policies and actions in the public and private sectors, the Nation can attain and maintain full employment, with special emphasis on the employment difficulties faced by the segments of the labor force that experience differentially high rates of unemployment;

(9) identify and assess the goals and needs of the Nation with respect to economic growth and work improvements, including conditions of employment, organizational effectiveness and efficiency, alternative working arrangements, and technological changes;

(10) evaluate the effectiveness of training provided with Federal funds in meeting emerging skill needs; and

(11) study and make recommendations on the use of advanced technology in the management and delivery of services and activities conducted under this Act.

ADMINISTRATIVE PROVISIONS

Sec. 474. (a) Subject to such rules and regulations as may be adopted by the Commission, the Chairman is authorized to—

(1) prescribe such rules and regulations as may be necessary;

(2) appoint and fix the compensation of such staff personnel as the Chairman deems necessary, and without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and the General Schedule pay rates, appoint not to exceed five additional professional personnel;

(3) procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code;

(4) accept voluntary and uncompensated services of professional personnel, consultants, and experts, notwithstanding any other provision of law;

(5) accept in the name of the United States and employ or dispose of gifts or bequests to carry out the functions of the Commission under this title;

(6) enter into contracts and make such other arrangements and modifications, as may be necessary;

(7) conduct such studies, hearings, research activities, demonstration projects, and other similar activities as the Commission deems necessary to enable the Commission to carry out its functions under this title;

(8) use the services, personnel, facilities, and information of any department, agency, and instrumentality of the executive branch of the Federal Government and the services, personnel, facilities, and information of State and local public agencies and private research agencies, with the consent of such agencies, with or without reimbursement therefor; and

(9) make advances, progress, and other payments necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529).

(b) Upon request made by the Chairman of the Commission, each department, agency, and instrumentality of the executive branch of the Federal Government is authorized and directed to make its services, personnel, facilities, and information (including computer-time, estimates, and statistics) available to the greatest practicable extent to the Commission in the performance of its functions under this Act.

REPORTS

SEC. 475. The Commission shall make at least annually a report of its findings and recommendations to the President and to the Congress. The Commission may make such interim reports or recommendations to the Congress, the President, the Secretary, or to the heads of other Federal departments and agencies, and in such form, as it may deem desirable. The Commission shall include in any report made under this section any minority or dissenting views submitted by any member of the Commission.

PART G—TRAINING TO FULFILL AFFIRMATIVE ACTION OBLIGATIONS

AFFIRMATIVE ACTION

SEC. 481. (a) A contractor subject to the affirmative action obligations of Executive Order 11246, as amended, issued September 24, 1965, may establish or participate in training programs pursuant to this section for individuals meeting the eligibility criteria established in sections 105(c)(1), 202(a)(1), and 212(a)(1), which are designed to assist such contractors in meeting the affirmative action obligations of such Executive order. To qualify under this section, such a training program shall contain—

(1) a description of the jobs in the contractor's work force or in the service delivery area, for which the contractor has determined there is a need for training;

(2) a description of the recruiting, training, or other functions that the contractor, or the organization that will be engaged to

perform the training, will perform and the steps that will be taken to insure that eligible individuals will—

(A) be selected for participation in training,
(B) be trained in necessary skills, and
(C) be referred for job openings,

in accordance with the objectives of such Executive order;

(3) whenever an organization other than the contractor will perform the training, a description of the demonstrated effectiveness of the organization as a provider of employment and training services;

(4) a description of how the contractor will monitor the program to keep an accurate accounting of all trainees, including (A) whether the trainees successfully complete the training program, and (B) whether the trainees are or are not placed; and

(5) an estimation of the cost of the program and an assurance that the contractor will assume all costs of the program or the pro rata share of costs to the contractor of the program.

(b)(1)(A) If the training proposal is designed to meet the needs of the community rather than, or in addition to, the employment needs of the contractor, and has not been approved by another Federal agency, the program shall be submitted to the private industry council established under section 103 for a determination that there is a need for such training in the community.

(B) Individuals trained under any program satisfying the requirements of this section may be included by the private industry council in its performance accomplishments and the wage gains of such individuals shall be included in determining the compliance of the job training program of the private industry council with applicable standards.

(2) The Director of the Office of Federal Contract Compliance Programs, Department of Labor, shall promulgate regulations setting forth how the Office will determine, during a compliance review, the degree to which a training program will satisfy the contractor's affirmative action obligations. The training and placement of trainees with employers other than the contractor may be considered in evaluating such contractor's overall good faith efforts, but in no event may placement of trainees with employers other than the contractor be permitted to affect that contractor's affirmative action obligations respecting its work force. The content of the training program will not be subject to review or regulation by the Office of Federal Contract Compliance Programs. If during a compliance review the Director of the Office of Federal Contract Compliance Programs determines that a training program does not comply with its regulations, the Director shall—

(A) notify the contractor of the disapproval,
(B) set forth the reasons for the disapproval, and
(C) provide a list of recommendations which, if accepted, will qualify the training program under this section.

(3) A contractor who has a training program which contains the criteria set forth in subsection (a) and which is in accordance with regulations promulgated under paragraph (2) of this subsection shall continue to meet the affirmative action obligations of Executive Order 11246, as amended, but the contractors required to main-

tain a written affirmative action program need only maintain an abbreviated affirmative action program, the content and length of which shall be determined by the Director of the Office of Federal Contract Compliance Programs, to satisfy the written affirmative action program portion of their obligations under Executive Order 11246, as amended. Successful performance or operation of a training program meeting the criteria set forth in subsection (a) shall create a presumption that the contractor has made a good faith effort to meet its affirmative action obligations to the degree specified by the Director under paragraph (2) of this subsection, but that presumption shall not be applicable to the satisfaction of other affirmative action obligations not directly related to the training and hiring requirements of this section, or other affirmative action obligations not affected by this section. For the purpose of the preceding sentence, "successful performance or operation" means training and placing in jobs a number of individuals which bears a reasonable relationship to the number of job openings in the contractors's facilities or in the relevant labor market area.

(c) Nothing in this section may be interpreted—

(1) to compel contractor involvement in such programs,

(2) to establish the exclusive criteria by which a contractor can be found to have fulfilled its affirmative action obligations,

(3) to provide authority for imposing any additional obligations on contractors not participating in such training activities,

(4) to permit the Office of Federal Contract Compliance Programs to intervene or interfere with the authority and responsibilities of the private industry councils,

(5) to restrict or limit the authority of the Secretary to investigate the employment practices of any Government contractor, to initiate such investigation by the Director, to determine whether any nondiscrimination contractual provisions have been violated, or to enforce Executive Order 11246, or

(6) to prohibit the Secretary or the Director, or other authorized officers of the United States, from requesting or compelling any contractor preparing and maintaining a short form affirmative action plan under subsection (b) to provide information necessary to conduct a compliance review or to provide data necessary to determine whether any violation of Executive Order 11246 has occurred.

TITLE V—MISCELLANEOUS PROVISIONS

AMENDMENTS TO THE WAGNER-PEYSER ACT

SEC. 501. (a) The Act of June 6, 1933, known as the Wagner-Peyser Act (29 U.S.C. 49 et seq.), is amended by striking out all that precedes section 4 of such Act and inserting in lieu thereof the following:

"SEC. 1. In order to promote the establishment and maintenance of a national system of public employment offices, the United States Employment Service shall be established and maintained within the Department of Labor.

"SEC. 2. For purposes of this Act—

"(1) the term 'chief elected official or officials' has the same meaning given that term under the Job Training Partnership Act;

"(2) the term 'private industry council' has the same meaning given that term under the Job Training Partnership Act;

"(3) the term 'Secretary' means the Secretary of Labor;

"(4) the term 'service delivery area' has the same meaning given that term under the Job Training Partnership Act; and

"(5) the term 'State' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

"SEC. 3. (a) The United States Employment Service shall assist in coordinating the State public employment services throughout the country and in increasing their usefulness by developing and prescribing minimum standards of efficiency, assisting them in meeting problems peculiar to their localities, promoting uniformity in their administrative and statistical procedure, furnishing and publishing information as to opportunities for employment and other information of value in the operation of the system, and maintaining a system for clearing labor between the States.

"(b) It shall be the duty of the Secretary of Labor to assure that unemployment insurance and employment service offices in each State, as appropriate, upon request of a public agency administering or supervising the administration of a State plan approved under part A of title IV of the Social Security Act or of a public agency charged with any duty or responsibility under any program or activity authorized or required under part D of title IV of such Act, shall (and, notwithstanding any other provision of law, is authorized to) furnish to such agency making the request, from any data contained in the files of any such office, information with respect to any individual specified in the request as to (1) whether such individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received by such individual, (2) the current (or most recent) home address of such individual, and (3) whether such individual has refused an offer of employment and, if so, a description of the employment so offered and the terms, conditions, and rate of pay therefor.".

(b) Section 5 of such Act is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State which—

"(1) except in the case of Guam, has an unemployment compensation law approved by the Secretary under the Federal Unemployment Tax Act and is found to be in compliance with section 303 of the Social Security Act, as amended,

"(2) is found to have coordinated the public employment services with the provision of unemployment insurance claimant services, and

"(3) is found to be in compliance with this Act,

such amounts as the Secretary determines to be necessary for allotment in accordance with section 6.

"(c)(1) Beginning with fiscal year 1985 and thereafter appropriations for any fiscal year for programs and activities assisted or con-

ducted under this Act shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

"(2) Funds obligated for any program year may be expended by the State during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with the program plan.

"(3)(A) Appropriations for fiscal year 1984 shall be available both to fund activities for the period between October 1, 1983, and July 1, 1984, and for the program year beginning July 1, 1984.

"(B) There are authorized to be appropriated such additional sums as may be necessary to carry out the provisions of this paragraph for the transition to program year funding.".

(c) Such Act is amended by adding at the end of section 5 the following new sections:

"SEC. 6. (a) From the amounts appropriated pursuant to section 5 for each fiscal year, the Secretary shall first allot to Guam and the Virgin Islands an amount which, in relation to the total amount available for the fiscal year, is equal to the allotment percentage which each received of amounts available under this Act in fiscal year 1983.

"(b)(1) Subject to paragraphs (2), (3), and (4) of this subsection, the Secretary shall allot the remainder of the sums appropriated and certified pursuant to section 5 of this Act for each fiscal year among the States as follows:

"(A) two-thirds of such sums shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State as compared to the total number of such individuals in all States; and

"(B) one-third of such sums shall be allotted on the basis of the relative number of unemployed individuals in each State as compared to the total number of such individuals in all States.

For purposes of this paragraph, the number of individuals in the civilian labor force and the number of unemployed individuals shall be based on data for the most recent calendar year available, as determined by the Secretary of Labor.

"(2) No State's allotment under this section for any fiscal year shall be less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made. For the purpose of this section, the Secretary shall determine the allotment percentage for each State (including Guam and the Virgin Islands) for fiscal year 1984 which is the percentage that the State received under this Act for fiscal year 1983 of the total amounts available for payments to all States for such fiscal year. For each succeeding fiscal year, the allotment percentage for each such State shall be the percentage that the State received under this Act for the preceding fiscal year of the total amounts available for allotments for all States for such fiscal year.

"(3) For each fiscal year, no State shall receive a total allotment under paragraphs (1) and (2) which is less than 0.28 percent of the total amount available for allotments for all States.

"(4) The Secretary shall reserve such amount, not to exceed 3 percent of the sums available for allotments under this section for each fiscal year, as shall be necessary to assure that each State will have

a total allotment under this section sufficient to provide staff and other resources necessary to carry out employment service activities and related administrative and support functions on a statewide basis.

"(5) The Secretary shall, not later than March 15 of fiscal year 1983 and each succeeding fiscal year, provide preliminary planning estimates and shall, not later than May 15 of each such fiscal year, provide final planning estimates, showing each State's projected allocation for the following year.

"SEC. 7. (a) Ninety percent of the sums allotted to each State pursuant to section 6 may be used—

"(1) for job search and placement services to job seekers including counseling, testing, occupational and labor market information, assessment, and referral to employers;

"(2) for appropriate recruitment services and special technical services for employeres; and

"(3) for any of the following activities:

"(A) evaluation of programs;

"(B) developing linkages between services funded under this Act and related Federal or State legislation, including the provision of labor exchange services at education sites;

"(C) providing services for workers who have received notice of permanent layoff or impending layoff, or workers in occupations which are experiencing limited demand due to technological change, impact of imports, or plant closures;

"(D) developing and providing labor market and occupational information;

"(E) developing a management information system and compiling and analyzing reports therefrom; and

"(F) administering the work test for the State unemployment compensation system and providing job finding and placement services for unemployment insurance claimants.

"(b) Ten percent of the sums allotted to each State pursuant to section 6 shall be reserved for use in accordance with this subsection by the Governor of each such State to provide—

"(1) performance incentives for public employment service offices and program, consistent with performance standards established by the Secretary, taking into account direct or indirect placements (including those resulting from self-directed job search or group job search activities assisted by such offices or programs), wages on entered employment, retention, and other appropriate factors;

"(2) services for groups with special needs, carried our pursuant to joint agreements between the employment service and the appropriate private industry council and chief elected official or officials or other public agencies or private nonprofit organization; and

"(3) the extra costs of exemplary models for delivering services of the types described in subsection (a).".

"(c) In addition to the services and activities otherwise authorized by this Act, the United States Employment Service or any State agency designated under this Act may perform such other services and activities as shall be specified in contracts for payment or reim-

bursement of the costs thereof made with the Secretary of Labor or with any Federal, State, or local public agency, or administrative entity under the Job Training Partnership Act, or private nonprofit organization.".

"(d) Section 8 of such Act is amended—

"(1) by striking out "Director" each place it appears and inserting in lieu thereof "Secretary of Labor";

"(2) by designating the first sentence thereof as subsection (a);

"(3) by designating the second and third sentences thereof as subsection (d);

"(4) by designating the fourth sentence thereof as subsection (e); and

"(5) by inserting after subsection (a) as amended by clause (1) of this subsection the following subsections:

"(b) Prior to submission of such plans to the Secretary—

"(1) the employment service shall develop jointly with each appropriate private industry council and chief elected official or officials for the service delivery area (designated under the Job Training Partnership Act) those components of such plans applicable to such area;

"(2) such plans shall be developed taking into consideration proposals developed jointly by the appropriate private industry council and chief elected official or officials in the service delivery area affected;

"(3) such plans, shall be transmitted to the State job training coordinating council (established under such Act) which shall certify such plans if it determines (A) that the components of such plans have been jointly agreed to by the employment service and appropriate private industry council and chief elected official or officials; and (B) that such plans are consistent with the Governor's coordination and special services plan under the Job Training Partnership Act;

"(4) if the State job training coordinating council does not certify that such plans meet the requirements of clauses (A) and (B) of paragraph (3), such plans shall be returned to the employment service for a period of thirty days for it to consider, jointly with the appropriate private industry council and chief elected official or officials, the council's recommendations for modifying such plans; and

"(5) if the employment services and the appropriate private industry council and the chief elected official or officials fail to reach agreement upon such components of such plans to be submitted finally to the Secretary, such plans submitted by the State agency shall be accompanied by such proposed modifications as may be recommended by any appropriated disagreeing private industry council and chief elected official or officials affected, and the State job training coordinating council shall transmit to the Secretary its recommendations for resolution thereof.

"(c) The Governor of the State shall be afforded the opportunity to review and transmit to the Secretary proposed modifications of such plans submitted.";

(e) Section 9 of such Act is amended to read as follows:

"SEC. 9. (a)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds paid to the recipient under this Act. The Director of the Office of Management and Budget, in consultation with the Comptroller General of the United States, shall establish guidance for the proper performance of audits. Such guidance shall include a review of fiscal controls and fund accounting procedures established by States under this section.

"(2) At least once every two years, the State shall prepare or have prepared an independent financial and compliance audit of funds received under this Act.

"(3) Each audit shall be conducted in accordance with applicable auditing standards set forth in the financial and compliance element of the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the Comptroller General of the United States.

"(b)(1) The Comptroller General of the United States shall evaluate the expenditures by States of funds received under this Act in order to assure that expenditures are consistent with the provisions of this Act and to determine the effectiveness of the State in accomplishing the purposes of this Act. The Comptroller General shall conduct evaluations whenever determined necessary and shall periodically report to the Congress on the findings of such evaluations.

"(2) Nothing in this Act shall be deemed to relieve the Inspector General of the Department of Labor of his responsibilities under the Inspector General Act.

"(3) For the purpose of evaluating and reviewing programs established or provided for by this Act, the Comptroller General shall have access to and the right to copy any books, accounts, records, correspondence, or other documents pertinent to such programs that are in the possession, custody, or control of the State.

"(c) Each State shall repay to the United States amounts found not to have been expended in accordance with this Act. No such finding shall be made except after notice and opportunity for a fair hearing. The Secretary may offset such amounts against any other amount to which the recipient is or may be entitled under this Act.".

(f) Section 10 of such Act is amended to read as follows:

"SEC. 10. (a) Each State shall keep records that are sufficient to permit the preparation of reports required by this Act and to permit the tracing of funds to a level of expenditure adequate to insure that the funds have not been spent unlawfully.

"(b)(1) The Secretary may investigate such facts, conditions, practices, or other matters which the Secretary finds necessary to determine whether any State receiving funds under this Act or any official of such State has violated any provision of this Act.

"(2)(A) In order to evaluate compliance with the provisions of this Act, the Secretary shall conduct investigations of the use of funds received by States under this Act.

"(B) In order to insure compliance with the provisions of this Act, the Comptroller General of the United States may conduct investigations of the use of funds received under this Act by any State.

"(3) In conducting any investigation under this Act, the Secretary or the Comptroller General of the United States may not request new compilation of information not readily available to such State.

"(c) Each State receiving funds under this Act shall—

"(1) make such reports concerning its operations and expenditures in such form and containing such information as shall be prescribed by the Secretary, and

"(2) establish and maintain a management information system in accordance with guidelines established by the Secretary designed to facilitate the compilation and analysis of programmatic and financial data necessary for reporting, monitoring, and evaluating purposes.".

(g) Section 11(a) of such Act is amended by adding at the end thereof the following new sentence: "Nothing in this section shall be construed to prohibit the Governor from carrying out functions of such State advisory council through the State job training coordinating council in accordance with section 122(c) of the Job Training Partnership Act.".

(h) Such Act is amended by adding at the end thereof the following new sections:

"Sec. 13. (a) The Secretary is authorized to establish performance standards for activities under this Act which shall take into account the differences in priorities reflected in State plans.

"(b) Nothing in this Act shall be construed to prohibit the referral of any applicant to private agencies as long as the applicant is not charged a fee.

"Sec. 14. There are authorized to be appropriated such sums as may be necessary to enable the Secretary to provide funds through reimburseable agreements with the States to operate statistical programs which are essential for development of estimates of the gross national product and other national statistical series, including those related to employment and unemployment.

"Sec. 15. This Act may be cited as the 'Wagner-Peyser Act'."

AMENDMENTS TO PART C OF TITLE IV OF THE SOCIAL SECURITY ACT

Sec. 502. (a) Section 432(d) of such Act is amended to read as follows:

"(d) In providing the training and employment services and opportunities required by this part, the Secretary of Labor shall, to the maximum extent feasible, assure that such services and opportunities are provided by using all authority available under this or any other Act. In order to assure that the services and opportunities so required are provided, the Secretary of Labor (1) shall assure, when appropriate, that registrants under this part are referred for training and employment services under the Job Training Partnership Act, and (2) may use the funds appropriated under this part to provide programs required by this part through such other Acts to the same extent and under the same conditions (except as regards the Federal matching percentage) as if appropriated under such other Act and, in making use of the programs of other Federal, State, or local agencies (public or private), the Secretary of Labor may reimburse such agencies for services rendered to individuals under this

part to the extent that such services and opportunities are not otherwise available on a nonreimbursable basis.".

(b)(1) Section 432(f) of such Act is amended—

(A) by amending paragraph (1) to read as follows:

"(f)(1) The Secretary of Labor shall utilize the services of each private industry council (as established under the Job Training Partnership Act) to identify and provide advice on the types of jobs available or likely to become available in the service delivery area of such council.";

(B) by striking out paragraph (2) and redesignating paragraph (3) as paragraph (2); and

(C) by striking out "Labor Market Advisory Council" in such paragraph and inserting in lieu thereof "private industry council".

(2) Section 433(b)(2) of such Act is amended by striking out "Labor Market Advisory Council (established pursuant to section 432(f))" and inserting in lieu thereof "private industry council under the Job Training Partnership Act".

(c)(1) Section 432(b)(1)(A) of such Act is amended by inserting before the comma at the end thereof the following: ", which may include intensive job search services, including participation in group job search activities".

(2) Section 433(a) of such Act is amended by striking out "unemployed fathers" and inserting in lieu thereof "unemployed parents who are the principal earners (as defined in section 407)".

(3) Section 433 of such Act is amended by adding at the end thereof the following new subsection:

"(i) In planning for activities under this section, the chief executive officer of each State shall make every effort to coordinate such activities with activities provided by the appropriate private industry council and chief elected official or officials under the Job Training Partnership Act."

EARNINGS DISREGARD

SEC. 503. (a) Section 402(a)(8)(A) of the Social Security Act is amended—

(1) by striking out "and" at the end of clause (iii);

(2) in clause (iv), by striking out "already disregarded under the preceding provisions of this paragraph" and inserting in lieu thereof "disregarded under any other clause of this subparagraph"; and

(3) by adding at the end thereof the following new clause:

"(v) may disregard the income of any dependent child applying for or receiving aid to families with dependent children which is derived from a program carried out under the Job Training Partnership Act (as originally enacted), but only in such amounts, and for such period of time (not to exceed six months with respect to earned income) as the Secretary may provide in regulations; and".

(b) Section 402(a)(18) of such Act is amended by inserting ", other than paragraph (8)(A)(v)" after "without application of paragraph (8)".

ENFORCEMENT OF MILITARY SELECTIVE SERVICE ACT

Sec. 504. The Secretary shall insure that each individual participating in any program established under this Act, or receiving any assistance or benefit under this Act, has not violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting and submitting to registration as required pursuant to such section. The Director of the Selective Service System shall cooperate with the Secretary in carrying out this section.

And the House agree to the same.

That the House recede from its amendment to the title of the Senate bill.

Carl D. Perkins,
Augustus F. Hawkins,
William D. Ford,
William Clay,
Mario Biaggi,
Paul Simon,
Baltasar Corrada,
Harold Washington,
John N. Erlenborn,
James M. Jeffords,
Thomas E. Petri,
Millicent Fenwick,
Lawrence J. DeNardis,
Managers on the Part of the House.

Orrin G. Hatch,
Dan Quayle,
Paula Hawkins,
Edward M. Kennedy,
Howard M. Metzenbaum,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2036) to provide for a job training program and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

The title of the Senate bill is the "Training for Jobs Act."

The title of the House amendment is the "Job Training Partnership Act."

The Senate recedes.

The purpose of the Senate bill is to establish job training programs which emphasize private sector involvement, State and local planning and operation, training rather than income maintenance, and performance rather than process.

The purpose of the House amendment is to increase productivity by improving skills, and preparing youth and unskilled adults for entry into the labor force, enhance skills of unemployed and underemployed and to establish a community-based employment and training system built on a partnership between State and local governments and the private sector.

The conference agreement consolidates and simplifies the statement of purpose.

The House amendment has a separate statement of purpose for Title II.

The Senate bill has no comparable provision.

The House recedes.

The Senate bill defines the following terms: artificial barriers to employment, long-term unemployed, offender, private sector, recipient, subrecipient, supportive services, veteran of the Vietnam era, and youth.

The House amendment does not define these terms.

The House amendment defines the following terms: academic credit, area of substantial unemployment, designated enterprise zone, economic development organizations and agencies, Federal employment-related programs, institutions of higher education, labor market area, local educational agency, low-income level, postsecondary institutions, public assistance, State educational agency, veteran, vocational education.

The Senate bill does not define these terms.

The conference agreement conforms to the bill those definitions that are applicable to the final version.

The Senate bill provides a list of organizations which qualify as community based organizations.

The House amendment does not.

The House recedes.

The House defines economically disadvantaged to include families whose incomes would have qualified them for cash welfare payments during the six-month period prior to application for the program involved.

The Senate bill does not.

The House recedes.

The Senate bill excludes child support payments for purposes of determining family income.

The House amendment does not.

The House recedes.

The Senate bill specifies that all Food Stamp recipients are economically disadvantaged.

The House amendment has no comparable provision.

The House recedes.

The House amendment defines economically disadvantaged to include foster children on behalf of whom State or local government payments are made.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment specifies that, for purposes of qualifying as economically disadvantaged, handicapped individuals who individually meet the income standards may qualify, regardless of family income.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to change "handicapped individuals" to "handicapped adults."

The Senate bill provides that 5 percent of the amount appropriated for Titles I to III and the Job Corps shall be allotted among the States and be available to the Governor for costs of auditing and administration of Statewide programs.

The House amendment provides that 10 percent of the funds appropriated for Title II shall be available for the Governor's coordination and special services plan, for the State employment and training coordinating council, and for coordinating employment-related education and training programs.

The House recedes with an amendment to conform to the fund allocations in the bill.

The Senate bill provides that 2 percent of the funds allotted shall be allotted to the Commonwealth of Puerto Rico and not more than $5 million among the off-shore territories.

The House amendment uses its basic distribution formula for these areas.

The Conference agreement provides that Puerto Rico shall be considered as a State and reserves not more than $5 million for the off-shore territories.

The Senate bill distributes 50 percent of funds among the States on the basis of the relative number of long-term unemployed and 50 percent of the relative number of economically disadvantaged persons in the labor force.

The House amendment distributes 25 percent of funds among the States on the basis of the relative number of unemployed persons; 25 percent on the basis of the relative number of persons in excess of 4.5 percent of the civilian labor force either within the State or within areas of substantial unemployment in the State; 25 percent on the basis of the number of unemployed persons residing in areas of substantial unemployment; and 25 percent on the basis of relative numbers of adults in families below the low income level.

The Conference agreement provides for distributing one-third of the funds among the States on the basis of the number of persons living in areas of substantial unemployment, one-third on the basis of the relative number of unemployed persons in excess of 4.5 percent of the civilian labor force residing in each State, and one-third on the basis of the relative number of economically disadvantaged within the State.

The Senate bill provides for a minimum allocation of 0.25 percent for any State.

The House amendment has no comparable provision.

The House recedes.

The Senate bill provides for a 90 percent hold-harmless of the share received by any State in the previous year.

The House amendment has no comparable provision.

The House recedes.

The Senate bill provides that 84 percent of the sums allotted to each State shall be sub-allocated to serve delivery areas on the basis of the relative number of economically disadvantaged persons within the service delivery area.

The House amendment provides that suballocations to prime sponsors be made on the same basis as the allocation to the States.

The Conference agreement provides that 78 percent of the sums allocated to each State will be sub-allocated to service delivery areas on the same basis as the allocation to the States.

The Senate bill provides that 3 percent of the funds allotted to the State shall be used for training programs for older persons.

The House amendment has no comparable provision.

The House recedes.

The Senate bill provides that 5 percent of the funds allotted to the State shall be used by the Governor to provide incentive funding for programs exceeding performance criteria.

The House amendment provides that the Secretary shall allocate 5 percent of the amount appropriated for any fiscal year after 1983 to prime sponsors that meet or exceed their performance goals. These incentive funds shall be distributed among prime sponsors meeting these goals in accordance with their basic allocation formula.

The House recedes with an amendment to require Governors to award incentive bonuses in equitable proportion to the degree by which service delivery areas exceed their performance criteria. If no service delivery areas exceed performance criteria, Governors must use these funds for technical assistance to service delivery areas.

The House amendment provides that 5 percent of the funds appropriated for fiscal year 1983 shall be made available to prime sponsors for planning grants and a portion of such funds shall be made available to the Private Industry Council to hire staff.

The Senate bill has no comparable provisions.

The Conference agreement authorizes the Secretary to make grants to PIC's not to exceed $80,000 out of fiscal year 1983 discretionary funds. Fiscal year 1983 formula funds may be used by local governments for planning.

The House amendment provides that 4 percent of the funds available for fiscal year 1984 and thereafter shall be allocated among prime sponsors who raise an equal amount in matching sources from non-Federal funds.

The Senate bill has no comparable provision.

The House recedes.

The House amendment provides that the amounts available for matching grants shall be allocated among prime sponsors in proportion to their basic fund allocation.

The Senate bill has no comparable provision.

The House recedes.

The House amendment provides that 2 percent of the funds shall be allocated by the Secretary among prime sponsors which are consortia in proportion to the basic grants received by such sponsors.

The Senate bill has no comparable provision.

The House recedes.

The House amendment provides that 4 percent of the amount appropriated for fiscal year 1983 shall be made available in order to encourage the formation of consortia which serve substantial portions of labor market areas.

The Senate bill has no comparable provision.

The House recedes.

The Senate bill requires the Secretary to make allotments within 45 days of the date of any appropriation.

The House amendment requires funds to be allocated within 30 days of the appropriation, except for advance funding which shall be allocated no later than March 31.

The House recedes with an amendment requiring allotment within 45 days or by March 31 for appropriations for a program year.

SERVICE DELIVERY AREAS

The Senate bill provides that the Governors shall publish tentative service delivery areas for the State which will meet guidelines specified in the Act. Comments on such tenative areas shall be submitted by interested parties and the Governor will designate final areas after considering such comment. The Governor is required to approve any request from units of local government with a population of 500,000 or more to be a service delivery area and also shall approve any request to be a service delivery area filed jointly by a unit of local government with a population of 250,000 or more and representative business organizations in that local area.

The Governor shall also approve any request which is filed jointly by units of local government and representative business organizations unless the Governor makes specific findings of fact why such units should not be an independent service delivery area. If the Governor denies a request jointly filed by units of general local government and representative business organizations, an appeal may be made to the Secretary.

The House amendment defines prime sponsor (the jurisdiction which is a service delivery area) to be a State; a unit of general local government with a population of 150,000 or more or any consortium of units of general local government which includes such a unit; any consortium of units of local government which have an aggregate population of 150,000 or more and which include a unit which was previously a prime sponsor; any unit of general local government or consortium of such units, regardless of population, which demonstrates that it serves a substantial portion of a labor market and that no eligible unit of government has submitted an approvable plan for a substantial part of such a labor market area; and any existing concentrated employment program. A prime sponsor under CETA is also eligible for fiscal years 1983 through 1988.

The State qualifies as a prime sponsor for any geographic area which is not within the jurisdiction of any prime sponsor which is a unit or consortium of local governments. The Governor is required to divide the balance of State area into one or more service delivery areas, upon consultation with units of local governments within the area.

The Conference agreement provides for the Governor's designation of service delivery areas for the entire state, but provides that the Governor must approve requests filed by local government jurisdictions of 200,000 or more in population, a consortium of local jurisdictions whose populations together are at least 200,000, and rural Consolidated Employment Programs (CEP's). It should be clear, however, that no local jurisdiction is obliged to become a service delivery area even if it is eligible to be so designated. The agreement permits the Governor to approve requests of local jurisdictions, or a consortium of jurisdictions, regardless of population, to be service delivery areas if it is determined that this area represents a substantial portion of the labor market area. Further, the Governor may designate the entire state as a service delivery area where no jurisdiction files a request to be a service delivery area requiring approval. The conferees intend that a subcommittee of the State Job Training Coordinating Council, which meets the standards set for service delivery area private industry councils (PIC's) may be appointed to perform the functions outlined for the local PIC's for the whole state service area. The conferees note that the whole state service delivery area arrangement has worked well in several states. The conferees encourage the Governors to designate service delivery areas to correspond with labor market areas and/or to coordinate with other federal or state program boundaries. It is not intended that the Job Training Partnership Act should establish an arbitrary design of new substate jurisdictions which will not enhance services to citizens. The conferees agree that the Governor should be allowed to structure the service delivery areas in the state to enhance coordination to serve labor market areas and increase the effectiveness of the job training services.

It is also the belief of the conferees, however, that the expertise of local governments not be lost, nor should the population areas become so large as to create an unwieldy delivery system. The conferees, therefore, have provided for the automatic designation of single units of local government of 200,000 or more and consortia of 200,000 or more. These population thresholds are intended to reduce the overall number of administrative units without compromising effective service.

The House amendment provides that applicants to be prime sponsors shall submit applications to the Secretary for designation for a 2-year period, and that the Secretary shall designate such applicants unless they do not qualify under the above criteria.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to conform to the conference agreement on service delivery area designation.

The House amendment provides that in order for two or more previously designated prime sponsors, which are located in a single labor market area, to remain eligible to be designated, such prime sponsors shall establish a joint Private Industry Council which shall serve an area with a population of at least 150,000 or which is a substantial portion of a labor market area. The Private Industry Council shall be appointed by the prime sponsors, with each prime sponsor having representation proportional to its population.

The Senate bill has no comparable provision (but see Sec. 103(f) on page 70).

The House recedes.

The Senate provides that no change in service delivery area may be made later than 4 months before the beginning of the program year or within 2 years of a previous revision.

The House amendment has no comparable provision.

The House recedes.

The Senate bill provides that the Governor shall annually prepare a statement of goals and objectives to guide local planning under this Act and the Wagner-Peyser Act.

The House amendment has no comparable provisions.

The House recedes with an amendment to change "guide" to "assist."

PRIVATE INDUSTRY COUNCIL/LOCAL GOVERNMENT ROLES

The Senate bill provides that the Chairman of the Council shall be a representative of the private sector.

The House amendment provides that the initial chairman of the Council shall be from the private sector.

The Senate bill provides that the Private Industry Council shall prepare the program plan.

The House amendment provides that the Private Industry Council shall have joint responsibility with the prime sponsor for planning activities under the Act.

The Senate bill provides that the PIC shall certify training institutions.

The House amendment provides that no funds may be expended except by joint agreement of the prime sponsor and the PIC.

The Senate bill provides that the plan shall identify the entity which will administer the program and be the sub-recipient of funds from the State.

The House amendment provides that the plan will designate the entity to administer the programs and services and that entity may be a non-profit corporation or may utilize government employees as administrative and planning staff.

The Senate bill sets forth criteria for the selection of the entity to be the grant recipient, including the ability to administer employment and training services, capacity to administer funds and the ability to provide adequate safeguards.

The Senate bill provides that the plan shall be submitted to the Governor jointly by the Private Industry Council and the chief elected official in the service delivery area or their representative if there is more than one such official in the area. If the official does not agree with any or all of the plan, the Private Industry Council shall reconsider the plan. If the disagreement is not resolved after mediation by the Governor, the Governor shall resolve the differences.

The House amendment provides that the plan be developed with the participation of the PIC and be submitted with the approval of the majority of the PIC. If the prime sponsor and the PIC fail to concur on the submission of the plan and the Secretary is unable to resolve the disagreement or the plan is not approved by the Secretary, the Secretary may designate the State or another alternative prime sponsor in the State to develop a plan for the area normally served by the prime sponsor. Any plan submitted by the alternative prime sponsor shall be developed with the participation of and submitted with the approval of the majority of the PIC for that alternate prime sponsor. In the event that no alternate prime sponsor submits such a plan, the Secretary may develop a plan directly or through another appropriate public or private non-profit agency in the area.

The conference agreement is based on the testimony of all parties that an effective job training program requires a true partnership between business and local government. The agreement is designed to achieve that goal.

BUSINESS ROLE

The agreement provides that after the PIC is certified by the Governor it shall be eligible to receive a grant of up to $80,000 to enable it to prepare for its responsibilities under the Act and to meet necessary startup costs. The responsibility of the PIC is to provide policy guidance for and exercise oversight over the job training programs in the area in partnership with the local government or governments in the area.

The conferees anticipate a process along the following lines. After the PIC is certified and has its first meeting convened by the chief elected official, it will elect its chairman, provide for operational rules, and select necessary staff to assist it in determining how to exercise its functions. After the PIC has had an opportunity to review the operation of current training programs in the area and to formulate its general policy positions, it will then enter into negotiations with the appropriate local government officials for the agreements specified in the bill. The first such subject of negotiations will concern the method for developing the plan, which may be an agreement to have the PIC or the local government or such other method or institutions specified in the agreement prepare the plan. Further, either as part of the same agreement or in a later one, the PIC and local governments will decide on the grant recipient and administrator of programs in the area. The conference agreement makes plain that these may be the same or separate entities and that either or both may be the PIC, the local government or any other entity or entities provided in the agreement.

The conference agreement also specifies that the PIC may engage in oversight activities and that such activities are not circumscribed by agreements with the local government. Oversight is defined as review, evaluation and monitoring and specifically does not include taking administrative actions—such as termination of contracts—on the basis of oversight findings. In authorizing the Private Industry Council to conduct oversight of program activities, the conferees do not intend to preclude oversight functions also being carried out by local governments. Clearly, local elected officials have a continuing need to know about the efficacy of programs operating in their jurisdictions and may conduct such oversight as they deem necessary.

The agreement also specifies that the PIC shall, in accordance with the plan, prepare and approve a budget for itself, that it may hire staff and that the decision on whether to incorporate is a matter for the sole determination of the PIC.

APPROPRIATE CHIEF ELECTED OFFICIAL

The conference agreement provides that the PIC enter into agreement or agreements with the "appropriate chief elected official." This is self explanatory in the case of a service delivery area comprised of a single jurisdiction; in the case of a multi-jurisdictional area, it is defined as such representative or representatives as are agreed upon by the chief elected officials in the jurisdictions in the area. The conferees anticipate that such officials will be able to agree on one, or at the most, a few such designated representatives in order to facilitate the reaching of the agreements required by the Act.

PLAN SUBMISSION

The agreement specifies that the plan must be approved by both the PIC and the local elected official or officials and that both must submit the plan to the Governor for approval.

FAILURE TO REACH AGREEMENT

The need for locally arrived at agreements between the private and public sector is the fundamental premise of this Act. In the remote eventuality that such agreements cannot be reached, it would be impossible to submit a plan and residents of the area could not be served. The conferees do not intend that disadvantaged individuals should be penalized by lack of training opportunities because public and private sector representatives cannot reach agreements. The conferees have, therefore, provided that either party may request the Governor to mediate, and, if no agreement can be reached within an existing service delivery area, the area will be merged into a larger area or subdivided among other areas so that the public and private sector in the new area or areas can have the opportunity to reach the necessary agreements. Such revised areas may be designated without regard to the timetables or other constraints that otherwise apply to service delivery area designation. In providing for this recourse in the event that there is no agreement, the conferees were guided by the principle that there should be no incentive to either party not to reach agreement. The conferees understand that this redesignation may be disruptive to the existing service delivery areas which are affected by the redesignation and strongly urge all parties to use their best efforts to see that this provision need never be utilized.

The Senate bill provides for representatives of units of general local government on the Private Industry Council.

The House amendment does not.

The conference agreement does not include representatives of local government on the Private Industry Council.

The House amendment specifies that rehabilitation agencies shall be represented on the Council.

The Senate bill includes such representatives through the definition of community based organization.

The conference agreement includes rehabilitation agencies on the Council.

The Senate bill specifies that representatives of the private sector shall be persons with substantial management or policy responsibility.

The House amendment has no comparable provisions.

The conference agreement provides that private sector representatives shall be chief executives or chief operating officers or other executives. The conferees intend that the private sector representatives should be influential business leaders in the community.

The Senate bill provides that private sector representatives shall be nominated by general purpose business organizations.

The House amendment provides that they shall be appointed from among individuals recommended by local business organizations.

The Senate amendment provides that private sector representatives shall include representation from small business.

The House amendment provides that, wherever possible, at least ½ of the business representatives shall be representative of small business, including minority business.

The conference agreement provides that private sector representatives shall be nominated by general purpose business organizations. The intent of the conference language is to assure a single slate of nominations which reflects the recommendations of the various business organizations in the community. The agreement requires that the number of nominations be 150 percent of the number of openings for business representatives on the Council in order to assure that the local elected official or officials will have a real choice in the selection of such representatives.

The conferees note that some communities may have locally established business organizations which meet the criteria of general purpose business organizations in the Act. Where there is more than one general purpose organization in the community, they shall coordinate their recommendations.

The Senate bill provides that education representatives shall be nominated by education organizations.

The House amendment provides that all members appointed to the PIC shall be recommended by appropriate organizations.

The House recedes with an amendment to substitute "recommended" for "nominated", to strike the term "general organization" as it applies in this paragraph and to add vocational institutions to the education representatives on the council.

The House amendment provides that the membership of the Council shall reasonably represent the population of the area served.

The Senate bill has no comparable provision.

The conference agreement provides that the nominations and the membership of private sector representatives on the council shall reasonably represent the demographic and industrial composition of the business community.

The Senate bill provides that PIC members shall be appointed by officials of local government with prior experience in administering job training programs, in accordance with an agreement among the units of general local government within the service delivery area.

The House amendment provides that the PIC shall be appointed by the prime sponsor.

The House recedes.

The Senate bill provides that PIC members may be replaced only with the concurrence of the nominating and appointing authorities or in accordance with the by-laws of the PIC.

The House amendment provides that members shall be appointed for fixed terms and serve until their successors are appointed. The prime sponsor may not dissolve the council or remove members of the PIC except for cause and vacancies shall be filled in the same manner as the original appointment.

The conference agreement provides that members shall be appointed for fixed and staggered terms and that any member may be removed for cause in accordance with procedures established by the Council.

The Senate bill provides that the number of members of the PIC shall be determined by agreement of the officials in the units of general local government in the area and in the absence of such agreement by the Governor.

The House amendment, in effect, provides that the number shall be determined by the prime sponsor.

The conference agreement provides that the initial number of members shall be determined by the chief elected official or officials in the area, or in the absence of agreement among such officials, by the governor, and that thereafter the number of members shall be determined by the council.

The Senate bill provides that the Governor shall certify a Private Industry Council when it meets the requirements of the Act.

The House bill has no comparable provisions.

The House recedes.

The House amendment provides that a PIC Council which serves the same area under Title VII of CETA may be designated to serve as the PIC for purposes of this Act.

The Senate bill has no comparable provisions.

The House recedes.

The House amendment provides that a PIC established for this Act shall be eligible to be designated as a planning council for other employment and training programs, operated within designated enterprise zones.

The Senate bill has no comparable provision.

The Senate recedes.

JOB TRAINING PLAN

The Senate bill requires the plan to contain a description of services and programs within the area.

The House amendment has a similar provision, but sets forth requirements for labor market and demographic analyses to be contained in the plan.

The House recedes but the conferees expect that such analyses will be used as a basis for planning. Further, in the case of a consortium, the conferees would like to stress that planning and implementation of the service area plan be done on an integrated basis. The various local jurisdictions comprising a consortium should not divide the available resources to act independently. It is a responsibility of the PIC and local elected officials to ensure that the needs of all parts of the service delivery area are addressed equitably.

The House amendment requires a description of training and employment services provided, including estimated costs per participant and related information.

The Senate bill has no comparable provisions.

The Senate recedes with an amendment to clarify that the costs to be estimated are training costs per participant.

The Senate bill requires procedures for selecting service providers which take into account past performance, fiscal accountability, ability to meet performance standards and which afford an opportunity to appropriate education agencies to provide educational services.

The House amendment requires procedures to select service providers of demonstrated effectiveness unless there is a substantial justification that specific services can be carried out more effectively by the administrative entity; and a statement of the methods and criteria for selection of service providers which provide proper consideration for community based organizations. The House amendment also provides that education agencies be given an opportunity to provide education services unless the prime sponsor can demonstrate that alternative agencies would be more effective or would have greater potential to enhance the participants' continued occupation and career growth.

The Senate recedes with amendment to consolidate language on selection of service providers and not to restrict the definition of "effectiveness" to cost exclusively.

It is the intention of the conferees that in determining "effectiveness", consideration be given to the ability of the service deliverer to meet performance goals, the characteristics of participants served, and cost and quality of training provided. Additionally, the conferees intend that the criteria for selection of service deliverers apply to the administrative entity in selecting itself as a deliverer of services.

The House amendment requires assurances that arrangements with employers which include training both at the worksite and in the classroom will provide for agreement on the length of time to be spent in the classroom and at the worksite.

The Senate bill has no comparable provision.

The House recedes.

The House amendment provides for a description of the arrangements for the active involvement of State and local education agencies, public assistance agencies, rehabilitation agencies, economic development organizations and the Employment Service in the delivery of services.

The Senate bill has no comparable provisions.

The House recedes.

The House amendment requires a description of the procedure to consider previously funded agencies which were cost-effective.

The Senate bill has no comparable provision.

The House recedes.

The Senate bill requires a statement of the budget for the program year and any proposed expenditures for the succeeding two program years.

The House amendment provides for a description of the use of funds which will be retained from funds for one fiscal year for use in the succeeding year.

The House recedes.

The Senate bill provides for a statement on expected performance accomplishment in comparison with the previous program year.

The House amendment requires a statement of performance goals established by the prime sponsors which meet the performance standards applicable to the prime sponsor or are the best reasonable attainable goals given local economic conditions, the characteristics of the population to be served and types of services to be provided.

The House recedes.

The Senate bill provides for a statement on fiscal control, accounting, auditing and debt collection procedures.

The House amendment requires a description of recordkeeping procedures and procedures for monitoring and auditing sub-grantees.

The House recedes.

The Senate bill requires a statement on the amount spent on supportive services and, if such amount is in excess of 15 percent, a justification for why such expenditures are necessary.

The House amendment has no comparable provision.

The House recedes with an amendment to require budget to show compliance with Secretary on cost limitation.

The Senate bill requires a report in the plan on activities conducted in the previous program year.

The House amendment has no comparable provision.

The House recedes with an amendment that the plan contain provisions for submitting an annual report.

The House amendment requires assurances that the prime sponsor will comply with the requirement of the Act and of State laws applicable to its activities.

The Senate bill has no comparable provisions.

The House recedes.

The House amendment requires a description of methods of coordinating programs under this Act with related programs.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to mandate coordination in accordance with the Governor's coordination and special services plan.

The House amendment provides for a biennial community job training plan.

The Senate bill provides for an annual plan.

The Senate recedes with an amendment to change biennial to two-program year job training plan.

The Senate bill provides that the PIC shall propose a plan 120 days before the beginning of the program year and provide interested parties an opportunity to comment. The final plan shall be published not later than 30 days before the program year.

The House amendment provides that the prime sponsor shall, 90 days before its biennial plan is submitted to the Secretary, transmit such plan to the PIC, and make such plan available for review and comment to each house of the State legislature, appropriate units of general local government, appropriate education agencies and labor organizations and make the plan reasonably available to the general public.

The Conference agreement retains the time schedule in the Senate bill and other provisions are covered in the Conference agreement on the PIC/local government role.

The House amendment provides for modification of plans to be submitted upon changes in the labor market conditions, funding or other factors.

The Senate bill has no comparable provision.

The Senate recedes.

PLAN APPROVAL

The Senate bill provides that the Governor shall disapprove the plan if he finds that it will not meet performance criteria, effectively serve the economically disadvantaged, does not provide for correction of previous difficiencies, the entity proposed to administer the program does not have the capacity to administer the funds or provide for the protection of funds, there is not equality of access to service for all segments of the disadvantaged community or the plan otherwise fails to carry out the purposes of the Act.

The House amendment provides that the plan shall be reviewed by the State Employment and Training Coordinating Council to determine if the plan is consistent with the Governor's coordination and special services plan and that it shall be returned to the prime sponsor for reconsideration, if not.

Both the recommendations of the coordinating council and the comments of the Governor shall be submitted to the Secretary before the Secretary makes a decision.

The Secretary reviews each plan to determine whether it meets the requirements of the Act, has been approved by the private industry council and whether the performance goals comply with the Act and are adequate and reasonable with respect to the local economic conditions and the purposes of the plan. In determining whether to approve the plan, the Secretary shall take into account the recommendation of the coordinating council and any modification of the plan proposed by the Governor. If the Secretary does not accept such recommendations or modifications, the Secretary shall notify the Governor in writing of the reasons for his decision.

The House amendment provides that the Secretary may disapprove all or any portion of a plan if he determines the use of funds for a subgrant are grossly inefficient or fail to carry out the purposes of the Act, but may not disapprove a portion of a plan solely on the basis of the type or duration of training proposed.

The Senate bill has no comparable provision.

The House amendment provides that the prime sponsor shall have thirty days in order to remedy any defect found in a plan. If the Secretary disapproves a plan a notice of disapproval is transmitted to the prime sponsor, the PIC, and the Governor accompanied by a statement of reasons for the disapproval. No disapproval shall be made without affording an opportunity for a hearing.

The Senate bill has no comparable provision.

The Senate bill provides that any disapproval by the Governor shall be made within 30 days after the plan is submitted. Any disapproval by the Governor may be appealed jointly by the Private Industry Council and the local elected officials to the Secretary.

The House amendment has no comparable provision.

The Conference agreement provides that the plan for each service delivery area shall be submitted to the Governor for approval.

The Governor must approve the plan unless he finds, on the basis of identifiable evidence, that the plan does not meet one or more of five express criteria:

> First, in the event that past deficiencies exist which have been substantiated through audits or program evaluations, or where objective measurements of performance have disclosed a failure to meet performance standards, corrective measures have not been taken or are not acceptably underway;
>
> Second, if the entity proposed to administer the program will not actually have sufficient capacity to administer the funds;
>
> Third, if the safeguards for the protection of funds contained in the plan are inadequate;

Fourth, if it can be clearly demonstrated that one or more specific elements of the plan violate one or more specific provisions of the Act or the regulations issued by the Secretary in accordance therewith;

Fifth, if those provisions of the plan concerning coordination of local activities funded under this Act with related program activities do not comply with the criteria established in the Governor's Coordination and Special Services Plan.

In the event the Governor does disapprove the plan on the basis of one or more of these specific criteria, such disapproval must be made within thirty days after the date on which the plan was submitted, or forty-five days after such date in the event a petition for disapproval was properly filed by interested parties. Any disapproval of a plan by the Governor may be appealed to the Secretary of Labor, who shall render a final decision on the appeal within forty-five days after receipt of such appeal.

Interested parties may petition the Governor within 15 days of plan submission for disapproval of the plan if (1) the party can demonstrate that it represents a substantial client interest, (2) the party took appropriate steps to present its views and seek resolution of disputed issues prior to submission of the plan to the Governor, and (3) the request for disapproval is based on a violation of statutory requirements. If the Governor approves the plan, the Governor shall notify the petitioner in writing of such decision and the reasons therefor.

The Conferees note that establishment of this specified authority for the Governor to disapprove plans only on the specific grounds set forth above is not intended to confer upon the State any authority to review discretion with regard to policy-making at the local program level, provided it is exercised in accordance with the provisions of this Act. The Conferees believe that such policy-making responsibility is properly housed at the local level, under the control of the local partnership between chief elected officials and the private sector.

It is the intent of the Conferees that decisions concerning local priorities in relation to such issues as participant mix, training strategies, service deliverers, etc. remain solely within the purview of local decision-makers, as long as such decisions do not violate the provisions of the Act.

The Conferees also wish to make clear that the authority for plan approval by the Governor is not intended to endow the State with any additional capacity to modify, restrict or expand upon the provisions of the Act, nor to affect the implementation of the Act except as provided for therein.

In the case of a state which is a single service delivery area, the Secretary shall exercise the plan approval authority under the same terms and conditions otherwise vested in the Governor.

LIMITATION ON CERTAIN COSTS

Both the Senate bill and the House amendment limit administrative costs to 15 percent of the funds available for the area. The Senate bill includes evaluation among the costs of administration.

The House amendment provides that administrative costs shall not include costs of program support directly related to the provision of training or additional costs attributable to the development of training.

The Senate bill provides for a guarantee that the amount to be spent in the State on supportive services and costs of administration shall not exceed 30 percent of the funds available to the State and that at least 70 percent of the funds be spent on training.

The House amendment provides that not less than 70 percent of the funds expended by any prime sponsor shall be expended for the direct provision of employment and training services. Such expenditures do not include subsistence stipends or administrative costs. Any expenditure for work experience activities which are not combined with relevant skill training and are for a period longer than 6 months shall also not be considered as an expenditure for training.

The House amendment provides that participants be provided with allowances.

The Senate bill has no comparable provision.

The Senate bill provided that 70 percent of the substate allocation had to be expended for direct training services such as remedial and basic education, on-the-job and classroom training, employability assessment, outreach, counseling, and preparation for work. The costs of administration and supportive services together were limited to not more than 30 percent of the allocation. Supportive services were defined as those services which were required to enable an individual to participate in training such as child care, transportation, health care, financial counseling, temporary shelter, meals, and other reasonable expenses determined at the local level. The Senate bill also included an explicit prohibition on wages, stipends, allowances and public service employment.

The House amendment also provided a 70/30 split of training to non-training costs, except that work experience programs up to 6 months in duration, tryout employment for youth, and supportive services were allowable activities under the 70 percent limitation. The 30 percent category included administrative costs and payments and allowances necessary to enable an individual to participate. The House amendment did not authorize or prohibit public service employment.

The conference agreement includes all of the training activities common to both measures as allowable under the 70 percent, as well as 50 percent of the costs of a limited work experience program with a training or education component and 250 hours of youth tryout employment. The costs of administration, supportive services, subsistence wages and allowances, and the remaining 50 percent of the limited work experience program are under a 30 percent limitation. Administrative costs are not to exceed 15 percent of the substate allocation.

Both houses of Congress have recognized the importance of maximizing the amount devoted to direct training activities for eligible participants and have established 70 percent of each substate allocation as a minimum.

The conferees also recognize that many individuals may be prevented from participation in a training program due to the additional expenses incurred from such participation and have provided for a broad range of supportive services and allowances which may be granted to participants on a needs basis. Additionally, some local service areas, due to their peculiar economic conditions or the characteristics of the population they propose to serve, will require some flexibility of the 15 percent non-administrative cost limitation in certain cases. To address these extraordinary needs, the conferees have provided that the Governor, in accordance with his plan approval authority, shall waive the 15 percent limitation on supportive services, wages, and allowances under certain specific conditions. First, the request for a waiver must be initiated by the private industry council (PIC). Second, the waiver request with justifications must be contained in the job training plan for the service delivery area. Third, the service area must demonstrate that the need for the waiver is not due to administrative overages, and fourth, that the supportive services to be provided are not duplicative of services available to the participant without cost from any other public or private source. Finally, one of more of the following conditions must exist in the service delivery area: (1) unemployment is 3 percentage points higher than the national average in the service delivery area, or in those areas of the service delivery area in which the services are to be provided, and, the ratio of private employment to population is less than the national average; (2) the plan proposes to serve a disproportionately high number of participants from groups requiring exceptional supportive service costs, e.g., the handicapped, ex-offenders, single heads of households with dependent children; (3) the cost of providing necessary child care exceeds half of the service delivery area's fifteen percent limit for supportive services, wages and allowances; (4) the cost of providing necessary transportation exceeds one-third of the service delivery area's fifteen percent limit for supportive services, wages and allowances; or (5) a substantial number of enrollees are in training programs of 9 months or more in duration.

It should be noted that the waiver applies only to documented excess costs set out in the job training plan. For example, if the PIC asserts that its child care costs will amount to 9 percent of its funds for supportive services, wages and allowances, it may request a waiver for those costs above 7.5 percent. Further, the waiver may be granted for up to one year. After one year, if it is necessary to do so, the PIC may initiate a new request and with the local government shall submit an adjusted job training plan including the required justifications to support a second one-year waiver.

The purpose of providing this waiver is not to excuse a service delivery area from meeting its training obligation, and the provision shall not be construed to eliminate or modify performance standards set for the service delivery area. The prerequisite conditions described above are intended to preclude its indiscriminate use. The waiver may, however, encourage private industry councils to extend greater service to those who might most benefit from training and who can least afford the extra costs of child care, transportation, etc. The waiver is also meant to relieve some of the economic pressures on service areas in severely depressed or rural parts of our country.

The House amendment provides for the pooling of administrative costs received under any Title of the Act.

The Senate bill has no comparable provision.

The House recedes.

The Senate bill specifies that the Governor or the Governor's designee will chair the Council.

The House amendment requires that the Governor designate a public member of the Council to be chairperson.

Senate recedes with an amendment to require the Governor to designate a "nongovernmental," rather than "public" member as chairperson.

The Senate bill specifies that 51 percent of the members of the Council shall be representatives of the private sector; 20 percent shall be representative of elected officials of units of general local government; and the remainder shall include one representative from the State employment service agency, and representatives from education, organized labor, private nonprofit community-based organizations, and other groups interested in job training programs.

The House amendment requires that the membership of the Council be composed as follows: 25 percent from business and industry; 25 percent from units or consortia of units of general local government nominated by chief local elected officials of such units; 25 percent from the State legislature, employment and training-related agencies and programs, and State education groups; and 25 percent from the eligible population and the general public, organized labor, community-based organizations, and local educational agencies.

The House recedes with an amendment requiring one-third of the Council membership to be selected from business and industry, and the remainder of the membership shall be comprised as follows: not less than 20 percent of the total council membership to be selected from each of the following categories: local government officials; State agency representatives; and the general public, organized labor, community-based organization, and local educational agencies.

The House amendment requires the membership of the Council to reasonably represent the population of the State.

The Senate bill has no comparable provision.

The Senate recedes with an understanding that this does not require the establishment of any quotas.

The House amendment requires that representatives of local educational agencies for the Council be nominated by local educational agencies.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment requires the Council to meet at least five times each year and the meetings will be open to the general public.

The Senate bill has no comparable provision.

The Senate recedes with an amendment deleting the requirement that the Council meet at least 5 times each year.

The House amendment gives the Council authority to obtain the services of professional, technical, and clerical personnel.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment prohibits the Council from directly operating or providing services to eligible participants.

The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill requires the Council to propose service delivery areas, to develop performance standards, and to review and provide written comments on the State plan for the State employment service agency.

The House amendment has no comparable provision.

The House recedes.

The House amendment requires the council to (1) identify the employment and training and vocational education needs throughout the State and the extent to which Federal, State, and local programs and services adequately meet such needs; (2) comment on reports required by section 105(d)(3) of the Vocational Education Act of 1963; (3) review plans of all State agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, to appropriate State officials, and to appropriate Federal agencies; (4) assume the functions of any State coordinating committee for the WIN program.

The Senate bill has no comparable provisions.

The Senate recedes.

The House amendment requires the state to submit a biennial governors' coordination and special services plan to the Secretary which establishes criteria for coordinating activities under this Act with related programs and services.

The Senate bill has no comparable provisions.

The Senate recedes with an amendment to require the Secretary to approve the plan unless he finds the plan to be in violation of specific provisions of this Act, and to specify that coordination criteria established in the plan cannot restrict or modify the provisions of this Act relating to eligibility requirements or selection of service deliverers.

ADULT/YOUTH PROGRAM ACTIVITIES

The Senate bill has a generalized statement of functions for which funds may be used which include any job training activity designed to prepare disadvantaged persons for, and place them in, employment.

The House amendment has detailed statements of the uses of funds for adult training programs and for youth preparatory programs. Individual notes identify uses authorized under the House amendment which would not be included in the general authority of the Senate bill.

The House amendment describes education for employment activities for eligible youths who have not obtained a high school diploma or who have educational deficiencies.

The Senate bill has no comparable provisions.

The House amendment provides for pre-employment skills training for youth aged 14 through 19, with priority given to those youths who do not meet established levels of academic achievement. Pre-employment skill training shall be concentrated on youth aged 14 through 16.

The Senate bill has no comparable provision.

The House amendment provides for entry level employment experience for youth who have completed pre-employment skills training and have not held a regular job for more than 250 hours and are enrolled in secondary school or equivalent institution. Such entry employment experience may be up to 20 hours weekly and not to exceed 500 hours in total.

The Senate bill has no comparable provision.

The House amendment authorizes school-to-work transition assistance for high school youth who plan to enter the fulltime labor market with priority given to seniors in high schools having a predominance of economically disadvantaged students.

The Senate bill has no comparable provision.

The House amendment provides that individuals who are 22 years in age or over be eligible to participate in adult programs.

The Senate bill has no comparable provision.

The House amendment provides that individuals, aged 16 through 22, shall be eligible to participate in youth preparatory programs.

The Senate bill has no comparable provision.

The House amendment provides that youths, aged 14, 15, shall be eligible to participate in pre-employment skill training programs.

The Senate bill has no comparable provision.

The conference agreement provides that the funds available under this title may be used to provide eligible adults and youth with the same activities. Specific youth programs are authorized as an option to the general activities which provide model programs developed on the basis of experience in previous youth demonstration programs. Nothing in this optional list of programs should be construed as mandatory or as limiting local flexibility to adapt the programs to local conditions to meet the needs of the service delivery area.

The House amendment authorizes the use of local funds for the development of labor market information.

The Senate bill does not.

The Senate recedes with an amendment to include this section with the Labor Market Information section.

The Senate bill authorizes supportive services to enable persons to retain employment for not more than 6 months.

The House amendment does not specify that supportive services may be used to assist participants in retaining employment. However, follow-up services are authorized.

The House recedes. The conferees understand that supportive services as distinct from follow-up activities, are subject to the thirty percent limitation.

The Senate bill provides that payments to employers for on-the-job training may average 50 percent of the wages paid by the employer to participants in such training.

The House amendment provides that payments for on-the-job training to employers, organized for profit, shall not exceed the costs of of such training including the lower productivity of the participants, and that the length of time for which payments may be made shall not exceed the normal period for the acquisition of skills for which the training is provided.

The House recedes.

The House amendment provides for upgrading and retraining.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment authorizes work experience.

The Senate bill does not.

The Senate recedes with an amendment to count fifty percent of work experience activities that are coupled with related skill training and limited to six months within the seventy percent limitation on the use of funds.

Clarification of employment generating activities.

The House recedes with an amendment to assure that employment generating services are not to be used as a substitute for economic development activities or for funds available for similar activities under other Federal programs.

The House amendment authorizes apprenticeship programs.

The Senate bill does not.

The Senate recedes with an amendment to authorize pre-apprenticeship programs.

The House amendment authorizes dissemination of information on program activities to employers.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment authorizes follow-up services with participants placed in unsubsidized employment.

The Senate bill authorizes supportive services to enable persons to retain employment.

The Senate recedes.

The House amendment authorizes that employment bonuses be paid for retaining trainees for at least six months beyond the training period.

The Senate bill has no comparable provision.

The House recedes.

The House amendment provides that, to the extent feasible, training programs be conducted with a commitment by an employer or a group of employers to employ the individual upon a successful completion of training.

The Senate bill has no comparable requirement.

The House recedes with an amendment to include customized training as one of the eligible activities under the program.

The House amendment authorizes tryout employment at private-for-profit work sites and public and private nonprofit work sites when for-profit work sites are not available. The vacancy may not be refilled if the prior participant is not hired. Compensation in lieu of wages shall be paid by the prime sponsor, but not for exceeding 250 hours.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to consider compensation for tryout employment as a training expense of the employer retains the youth for an equal length of time beyond the tryout period.

The Senate bill authorizes a loan fund to be used by economically disadvantaged participants to provide the expenses for basic necessities.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill prohibits the use of funds for allowances, stipends, wages or public service employment.

The House amendment authorizes allowances and wages as detailed in the notes below.

The House recedes with an amendment to prohibit public service employment under this Act and to delete the prohibition on wages, allowances and stipends as specified in the waiver provision.

The House amendment provides for subsistance allowances based on family income, but not to exceed the minimum wage; participation cost stipends; and lump sum payments or other rewards for completion of training or other constructive attainments.

The Senate recedes with an amendment to base allowances on locally developed needs based formulas.

The House amendment provides that a trainee shall receive no allowances for hours in which he failed to participate without good cause. No comparable Senate provision.

The Senate recedes with an amendment to specify that a trainee shall not receive allowances for training activities in which the trainee fails to participate without good cause.

The House amendment provides that individuals employed shall be paid wages which shall not be less than the higher of the Federal minimum wage, the minimum wage under the applicable State or local minimum wage law, or the prevailing rates of pay individuals employed in similar occupations by the same employer. No comparable Senate provision.

The Senate recedes.

The House amendment provides that stipends and allowances shall not be considered income for the purposes of determining eligibility for income transfer programs. No comparable Senate provision.

The House amendment provides that earnings and allowances received by any youth participating in a program under the Act shall be disregarded in determining the eligibility of the youth's family for, and the amounts of benefits based on needs under, any Federal or federally assisted programs. No comparable Senate provision.

The Senate recedes with an amendment to limit this provision relating to allowances to programs not under the Social Security Act. The Conference agreement also provides for a limited disregard of allowances provided under this Act under the AFDC program.

The House amendment provides that all individuals participating in training shall be eligible to receive allowances, but not for a period to exceed 104 weeks in any 5-year period. No comparable Senate provision.

The House recedes.

The House amendment provides that no individual may participate in a program for more than 30 months in any 5-year period.

The House recedes.

The House amendment limits eligibility to those residing in the prime sponsor's area, except in the case of two or more prime sponsors operating with a joint private industry council in which case residents in any such prime sponsor area shall be eligible.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to permit the local job training plan to provide for a limited waiver of the residency requirement.

SERVICE PRIORITIES

The Senate bill provides that at least 50 percent of the funds excluding summer youth shall be used for persons who have not attained age 25.

The House amendment provides that 50 percent of the funds including summer youth shall be used for youth under the age of 22.

The House recedes with an amendment to exclude the summer youth programs from the division of funds between adult and youth programs. The summer youth program is separately authorized as Part B. At least forty percent of the funds allocated under Part A shall be used for eligible youth under the age of 22. This percentage may be adjusted by the Senate adjustment factor. It is clearly not the intent of the conferees to reduce support for youth participation in the programs under this title. By accepting the lower age limit definition from the House amendment and removing the summer youth programs from the percentage split of funds, as in the Senate bill, the conferees believe that at least the current level of support for all youth programs will be maintained. Additionally, the conferees recognize that individuals aged 22 through 25 face special employment barriers in the labor force, and therefore encourage close examination of the needs of this age cohort in the development of programs at the service delivery level.

The House amendment provides that 15 percent of the funds available for adults may be used for services to youth and 15 percent of the funds available for youth may be used for adults.

The Senate bill has no comparable provision.

The House recedes.

The Senate bill required for proportionate service to recipients of AFDC and eligible school drop-outs.

The House amendment has no comparable provision.

The House recedes with an amendment to serve AFDC recipients and high school dropouts on an equitable basis taking into account their proportion to the eligible population based on the best available data.

The Senate bill provides that 10 percent of the funds may be used for persons who are not economically disadvantaged but have other labor market disadvantages.

The House amendment specifices that 10 percent of the participants may be persons who are not economically disadvantaged, if they have other barriers to employment.

The Senate recedes with an amendment to include handicapped who do not meet the income eligibility criteria in the ten percent income eligibility "window".

The Senate amendment provides that, except for handicapped workers and dislocated workers, persons qualifying as not economically disadvantaged may not have individual incomes in excess of 250 percent of the income level for the economically disadvantaged.

The House amendment has no comparable provision.

The Senate recedes.

SERVICE DELIVERY

The Senate bill requires that primary consideration in determining service delivery organizations shall be the cost effectiveness of the agency in delivering comparable services.

The House amendment provides that funds not be used to duplicate services or facilities available in the area from Federal, State or local resources unless the prime sponsor demonstrates that other services or facilities would be more effective or more likely to achieve the performance goals.

The Conference agreement requires that in selecting service deliverers, primary consideration should be given to the effectiveness of the organization based on demonstrated performance and that proper consideration should be given to CBOs. In determining effectiveness, the administrative entity should take into account the likelihood of meeting performance goals, the characteristics of participants and the quality and cost of training.

The Senate bill provides that no organization shall be used to provide occupation skills training unless it has been certified by the private industry council.

The House amendment has no comparable provision.

The House recedes with an amendment that no occupational skills training program shall be funded unless the level of skill provided is acceptable to employers in the area in accordance with guidelines established by the PIC.

It is the manager's intent that the criteria for selecting service providers be applied equally to administrative entities who deliver services as well as those service providers under contract to the administrative entity.

These provisions are not intended to preclude the selection of new service providers.

The Senate bill provides that all training agreements shall contain standards on content quality, duration and results of training.

The House amendment has no comparable provision.

The Senate recedes. However, it is assumed that all training agreements will meet certain standards for quality and content in accordance with guidelines established by the private industry council. It was not intended, however, that such standards be negotiated for each separate training contract entered into by the administrative entity for the service area for the same type of services.

The Senate bill provides that the ratio of public sector to private sector participants in on-the-job training not exceed the ratio of public sector to private sector employment in the area.

The House amendment has no comparable provisions.

The House recedes.

The Senate bill provides that commercially available training packages may be purchased for off-the-shelf prices, if the package is competitively purchased.

The House amendment has no comparable provision.

The House recedes.

STATE PROGRAMS

The Senate bill provides that funds available to the Governor may be used for developing linkages between programs funded under this Act and related programs.

The House amendment provides that funds may be used for State-wide programs and to provide for joint funding of activities under this Act and related programs.

Both the Senate and House provisions are accepted.

The House amendment provides for the use of funds to foster the State Occupational Information Coordinating Committee.

The Senate bill has no comparable provision.

The House recedes. Funds for the State Occupational Information Coordinating Committee are covered in the Labor Market Information part of the legislation.

The Senate bill provides for the use of funds for developing a management information system and analyzing reports from that system.

The House amendment has no comparable provision.

The Senate recedes.

The House amendment provides for carrying out special model training and employment programs.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment provides for assistance for special programs designed to meet the needs of rural areas.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment provides for training and employment opportunities in the conservation and efficient use of energy.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to strike the words "and employment."

The House amendment provides for industry-wide training.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment provides for training for the delivery staffs of local prime sponsors and private industry councils.

The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill provides that there shall be a State training report which demonstrates the State's fiscal responsibility, includes a statement of goals and objectives, performance standards and information on types of activities to be funded.

The House amendment has no comparable provisions.

The Senate recedes.

Both bills provide for education and training coordination grants. The grants under the Senate bill may be used only to provide services.

Funds under the House amendment may be used to provide assistance in making cooperative arrangements for information, curriculum material, technical assistance and other services to develop and sustain the capacity to provide community employment and training programs.

Both bills contain provisions for matching grants for the improvement of services to individuals under this Act. The Senate bill provides these grants for education and training service; the House bill for vocational services.

The Senate bill requires that the agreements are negotiated by the designee of the State agency as part of the plan for the service delivery area. The House amendment requires that the agreements be between the State agency or agencies and the prime sponsor, and (where appropriate) local education agencies.

In the Senate bill funds available under the agreements may be used to provide education, training and related services.

The House amendment allows for vocational education and related services.

The Senate bill provides these services to participants under the title; the House amendment to participants under the whole Act.

The House amendment provides for amendment funds to revert to the Governor if no joint agreements are reached. The Senate bill has no similar provisions.

The Senate bill requires that funds be allocated to service delivery areas pursuant to the substate allocation formula.

The House amendment does not.

The conferees have agreed to combine the two percent and six percent setasides into a single grant of eight percent of Title II appropriations for coordination with State education and training agencies. Within this single setaside, 80 percent of the funds must be used for services to participants, while 20 percent of the funds may be used for technical assistance for activities such as professional development, job placement, counseling and curriculum development.

The 80 percent portion must be matched. The conferees intend that this matching requirement can be satisfied by a cash contribution or by contributions of equipment, services or supplies funded from other sources which are directly used to provide services to participants. If no joint agreements are reached, these funds revert to the Governor.

The agreement also provides that the range of activities includes education, training, including vocational services, and related services as part of the matching grant. Additionally, in negotiating agreements between the State agency or agencies and the service delivery area, local education agencies where appropriate will participate in the negotiation.

At least seventy-five percent of the matching funds must be used to serve participants eligible under Title II. The conferees intend that 25 percent of these funds may be used to serve participants under the Act, so that in states where there are high numbers of dislocated workers there are sufficient services for those in need of assistance.

Finally, the Conference agreement provides that the 80 percent matching funds for services to participants are to be expended pursuant to agreements between appropriate education agencies and service delivery areas, and not allocated to substate areas by formula.

The Senate bill authorizes the Governor to provide job training programs developed with service delivery areas which are designed to assure training and placement of older individuals in employment opportunities with private business concerns.

The House amendment requires that the Governor's activities include the expenditures of an adequate portion of funds to promote, select, and train eligible older workers.

The House recedes.

The Senate bill allows the Governor to enter into agreements with public agencies, nonprofit private organizations, and private business concerns to provide job training programs to older workers. Consideration shall be given to growth industries and jobs reflecting the use of new technological skills. The Senate bill defines an eligible older worker as an individual who is disadvantaged and is 55 years of age or older.

The House amendment has no comparable provisions.

The House recedes.

The Senate bill assures that nothing in the Act precludes the adoption of State implementing legislation consistent with the Act.

The House amendment has no similar provision.

The House recedes.

FEDERALLY ADMINISTERED PROGRAM

The Senate bill includes American Samoans living in Hawaii as eligible participants.

The House amendment does not.

The Senate recedes.

The conferees are concerned with the unique and special employment problems facing the 240,000 American Samoans residing in their homeland, in the State of Hawaii and in the Continental United States.

The poverty among this population is extreme. Half do not have a high school education. Unemployment is well above the national average. Less than one-third are fluent in English.

As a result Samoan families report unacceptable rates of alcoholism, violent crimes, and depression. The conferees believe the United States has a special responsibility for the Samoan people that grows out of the treaties of friendship and commerce negotiated in the last century and the trust relationship created when the islands were ceded to the United States in the early 1900s.

In order that the Congress can be better informed on how best to meet the employment and training needs of the Samoan peoples, the Secretary of Labor is instructed to transmit a Report to the Congress no later than October 1, 1983, which details the dimensions of unemployment and poverty among American Samoans and recommends specific actions that can be taken to carry out our historic responsibilities to these peoples.

The House amendment requires that arrangements be made with prime sponsors and organizations to carry out the responsibilities of this section. The Senate bill speaks only to organizations.

The Senate recedes with an amendment changing "prime sponsors" to "administrative entities."

The House amendment requires the Secretary to consult with representatives of Indians and other Native Americans prior to the promulgation of rules, regulations and performance standards relating to Native American programs.

The Senate bill contains no similar provision.

The Senate recedes.

The House amendment requires the Secretary to provide technical assistance as necessary.

The Senate bill contains no similar provision.

The Senate recedes.

The House amendment establishes an office of farmworker programs within the Department of Labor to be staffed with personnel experienced in farmworker programs to select, administer, monitor and evaluate programs.

The Senate bill has no comparable provisions.

The Senate recedes with an amendment to make the administrative structure of the Migrant and Seasonal Farm Worker program similar to the Native American program.

The Senate bill includes programs and activities carried out by recipients or subrecipients under other provisions of the Act as a means by which the employment and training needs of migrants and seasonal farmworkers can be met.

The House amendment does not.

The Senate recedes.

The Senate bill requires the Secretary to use standard competitive government procurement policies in awarding grants for services.

The House amendment requires the Secretary to use procedures consistent with standard competitive government procurement policies in awarding grants or contracts.

The Senate recedes.

The House amendment approves designation of grantees for a two year period.

The Senate bill has no similar provision.

The Senate recedes.

The Senate bill includes employment and training programs in newly developing agricultural occupations and related assistance and supportive services.

The House amendment authorizes programs and activities that enable farmworkers and their dependents to (1) obtain or retain employment, (2) participate in other program activities that lead to placement in unsubsidized agricultural or nonagricultural employment, (3) participate in activities leading to stabilization in agricultural employment, and (4) improve their well-being.

The Senate recedes with an amendment to delete "improving their well-being" and substitute "shall include related assistance and supportive services."

The Senate bill requires the Secretary to consult with State and local officials and allows the Secretary to enter into agreements with such officials in the administration and operation of programs under this part.

The House amendment requires recipients of funds to establish performance goals that comply with performance standards established by the Secretary.

The Senate recedes with an amendment to conform with the conference agreement regarding performance standards.

The House amendment does not preclude assistance to farmworkers under any other provisions of the Act.

The Senate bill has no similar provision.

The Senate recedes.

The Senate bill has a statement of findings and purpose for veterans' employment programs. The House amendment does not.

The Senate recedes.

The Senate bill authorizes programs to meet the employment and training needs of service disabled veterans, Vietnam era veterans and recently separated veterans.

The House amendment emphasizes the needs of disabled veterans, Vietnam era veterans and recently separated veterans but is not limited to such veterans.

The House recedes.

The Senate bill authorizes activities to enhance services by other service providers, employment and training services not adequately provided by other public providers and outreach and public information activities.

The House amendment specifically authorizes on-the-job training, employability development, job placement activities, and preseparation counseling coordinated with other Veterans programs.

The House recedes.

The Senate bill requires the Assistant Secretary for Veterans' Employment to coordinate programs under this part with programs under the Administrator of Veterans Affairs.

The House amendment requires the Assistant Secretary to encourage cooperative agreements with business, education, nonprofit organizations, organized labor, etc. to maximize use of existing programs.

The House recedes.

The Senate bill requires maintenance of effort of services to Veterans for other programs and activities under this Act or other law.

There is no comparable House provision.

The Senate recedes.

The House amendment lists eligible areas of research; the Senate bill has no such listing.

The Senate recedes with an amendment authorizing, but not mandating, the Secretary to establish a program.

The Senate bill authorizes experimental, developmental and demonstration projects in changing demographics of the workforce, civilian manpower needs on military installations and in the private sector in addition to areas cited in the House amendment. The Secretary may pay no more than 60 percent of the costs of projects developed in conjunction with the Secretary of Defense.

The House amendment includes pilot projects; the Senate bill authorizes pilot projects as a separate section (Sec. 233).

The House recedes.

The House amendment requires the Secretary to conduct comparisons of program effectiveness among prime sponsors as well as between prime sponsors and programs conducted by the Secretary and requires the Secretary to arrange for obtaining opinions of participants. No comparable Senate provision.

The House recedes.

The Senate bill requires the Secretary to use statistical sampling techniques to the maximum extent possible; no comparable House provision.

The House recedes.

The Senate bill specifies elements to be included in the Secretary's annual report; the House amendment does not.

The House recedes.

COMMENTS

The Senate bill authorizes pilot programs for target groups including handicapped and displaced homemakers. (The House amendment authorizes pilot programs under Sec. 442(b) above.) The Senate bill limits such pilot projects to 3 years and requires the Secretary to give special consideration to community-based organizations, trade associations and labor organizations. The House amendment contains no similar provisions.

The House recedes with an amendment clarifying that the three year limitation is not retroactive.

The House amendment authorizes nationally administered multistate employment and training programs, including programs for target populations, education-private sector linkage programs, programs for older workers, programs to eliminate skill shortages, and career intern programs for youth. The House amendment has no limit on duration of such activities.

The Senate bill has no comparable provisions.

The Senate recedes with an amendment that specifies that funds available under this section may only be used for programs which are most appropriately administered at the national level and which are operated in more than one State. The amendment gives examples of the types of programs which are most appropriately administered at the national level.

Both the Senate bill and the House amendment authorize the Secretary to provide training and technical assistance. The House amendment includes training for job skill teachers and technical assistance for housing for migrant and seasonal farmworkers. The House amendment also requires the establishment of a national clearinghouse for exemplary program information. The Senate bill has no comparable provision.

The conferees agreed to accept the provision for technical assistance for housing for migrant and seasonal farmworkers with an amendment limiting such technical assistance for "training programs."

This amendment does not preclude the continuation of the existing programs through the transition year.

The House amendment requires the establishment of a national clearinghouse for exemplary program information.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment authorizes such activities to include the use of training and technical assistance capabilities at the State and local levels.

The Senate bill contains no comparable provision.

The Senate recedes.

The House amendment establishes an Office of Management Assistance to provide management assistance on a reimbursable or nonreimbursable basis to prime sponsors. The Senate bill has no comparable provision.

The conferees view the authority for the Secretary to provide training and technical assistance as sufficient to cover the purpose of the management assistance functions.

Both the House amendment and Senate bill recognized the necessity for training and technical assistance to be an ongoing federal responsibility lodged with the Secretary of Labor. This responsibility is in no way vitiated by the increased role which the conferees expect the States to play in planning and managing this program. Instead, this shift draws attention to the fact that, in executing his duties in the area of training and technical assistance, the Secretary must work in close concert with the States.

The conferees recognize that the provision of training and technical assistance involves costs, and therefore has authorized funds for the Secretary of Labor for this purpose. The conferees intend that these funds be fully utilized to have the maximum impact on promoting good management practices in the States.

LABOR MARKET INFORMATION

The House amendment states the purpose of the labor market information program is to meet the information needs of organizations in planning and delivering services under this legislation.

The Senate bill contains no comparable provision.

The House recedes.

Both the Senate bill and the House amendment authorize a comprehensive labor market information program.

The House amendment further specifies that funds available under the Vocational Education Act, Wagner-Peyser Act, and Paperwork Reduction Act may be made available to assist this program.

The Senate bill contains no comparable provision.

The Senate recedes.

The House amendment requires improvements in the accuracy of the local area unemployment statistics program.

The Senate bill contains no comparable provision.

The House recedes.

The House amendment mandates maintaining the occupational employment statistics program, the dictionary of occupational titles, economic hardship measures, household living budget standards, and earnings and income reports.

The Senate bill contains no comparable provisions. The conference agreement requires maintaining the occupational employment statistics program, the dictionary of occupational titles, and an annual report on earnings and income, and authorizes development of economic hardship measures and household living standard budget data.

The House amendment requires the Secretary to develop statistical data on the closing of mines, plants or facilities employing at least 50 workers and publish an annual report.

The Senate bill contains no such provision.

The Senate recedes with an amendment to require the Department of Labor to compile and publish data from the ETA 235 report.

Both the Senate bill and the House amendment establish the same Federal responsibilities for reviewing and coordinating labor market information. The Senate bill, unlike the House amendment, provides that the Secretary shall utilize the National Occupational Information Coordinating Committee in carrying out coordination responsibilities.

The House amendment contains no comparable provision.

The House recedes.

The House amendment sets forth specific provisions to be carried out under this Act by the National Occupational Information Coordinating Committee (NOICC) established under the Vocational Education Act.

The Senate bill contains no comparable provision.

The conference agreement authorizes not more than $5 million to be reserved for NOICC.

The House amendment (a) provides that not less than 75 percent of the amount transferred to NOICC shall be used for State Occupational Information Coordinating Committees, (b) expands NOICC's membership to include the Assistant Secretary of Commerce for Economic Development and the Assistant Secretary of Defense for Manpower, Reserve Affairs, and Logistics, (c) details occupational information responsibilities for NOICC, and (d) provides that funds available under this Act, the Vocational Education Act, and the Career Education Act may be used together to carry out NOICC's responsibilities.

The Senate bill contains no comparable provisions.

The Senate recedes.

The House amendment requires a nationwide job bank and matching program, with the additional provision that occupational information shall be developed projecting jobs on regional, state, local, and other appropriate bases, as well as labor supply information by occupation.

The Senate bill contains no comparable provision.

The conference agreement authorizes such program.

Both the Senate bill and the House amendment contain similar authorizations for state labor market information programs, including the provision that the Governor designate an organizational unit to oversee and manage a statewide comprehensive labor market and occupational information system.

The Senate bill states that the Governor shall designate "the state occupational information coordinating committee or another organizational unit" for such function.

The House amendment has no comparable provision.

The House recedes.

The Senate bill provides that a state may combine or alter Federal administrative management information requirements if the Governor so notifies the head of each responsible federal and state agency.

The House amendment contains no comparable provision.

The House recedes with amendments to delete the authority for the States to alter such requirements.

Under the Senate bill, any disapproval by a federal agency head may be appealed to the Director of the Office of Management and Budget for a decision within 60 days of that appeal. The House amendment contains no comparable provision. The Senate recedes.

The Senate bill provides that, beginning with fiscal year 1985, appropriations shall be available for obligation only on a program year basis. The program year would begin on July 1. The House amendment contains no comparable provision, but continues the existing law's authorization for advance appropriations to be made in the preceding year for obligation in the following fiscal year.

The House amendment, but not the Senate bill, retains the existing law's provision that appropriated funds not obligated prior to the end of a fiscal year remain available for obligation during the succeeding fiscal year.

The House recedes.

The House amendment continues the existing law's provision that the proceeds of income generating activities may be retained by a recipient to carry out its program after the recipient is no longer receiving financial assistance under this Act.

The Senate bill contains no comparable provision.

The Senate recedes.

The Conference agreement provides that not more than 7 percent of the total appropriation (other than for dislocated workers) shall be for national programs (exclusive of the Job Corps) and that of that amount 5 percent shall be for veterans programs and $2 million for the National Commission for Employment Policy.

The Conference further provides that an amount equal to 3.3 percent of the amount available for title I shall be reserved for Indian and Native American programs and that 3.2 percent of that amount shall be reserved for Migrant and Seasonal Farmworker programs.

For Job Corps, $618 million is authorized for fiscal year 1983 and such sums thereafter. There is a "such sums" authorization for the summer youth program.

The House amendment authorizes appropriations for the Job Corps of $650,000,000 for fiscal year 1983 and such sums as may be necessary for each succeeding fiscal year.

The Senate bill provides that, out of the set-aside for national job training programs of 22 percent of each year's total appropriation for the Act, 66 percent thereof shall be available for the Job Corps. For fiscal year 1983, the Senate bill further authorizes appropriation of such sums as may be necessary to ensure that the amount available for the Job Corps in fiscal year 1983 is at least equal to the amount available in fiscal year 1982.

The Senate recedes with an amendment to authorize appropriations of $618 million for Job Corps in fiscal year 1983.

PERFORMANCE STANDARDS

The Senate bill provides that the Secretary (with respect to financial assistance for title II-D) and the Governor (with respect to performance incentives and technical assistance funds) shall publish for comment a plan for use of such funds. After considering comments, the final plan shall be published.

The House amendment provides that the Secretary shall provide notice to and consult with the appropriate Governor and prime sponsor concerning activities to be funded by the Secretary, and that the Governor shall provide notice to and consult with the appropriate prime sponsor concerning activities to be funded by the Governor within such prime sponsor's area.

The Senate recedes.

Both the Senate bill and the House amendment provide for performance criteria.

The Senate bill states the finding of Congress that job training is an investment in human capital and that the criteria for measuring the return on investment should be based on the increased earnings of participants and reductions in cash welfare payments. The House amendment sets forth no Congressional findings.

The House recedes with an amendment to modify the overall criteria as set forth in the conference agreement.

The House amendment requires the Secretary to establish performance criteria within six months after the date of enactment.

The Senate bill provides that the Secretary shall prescribe standards to measure the results of participation in programs, but sets no deadline for the issuance of such standards.

The House amendment contains no similar provisions but does not repeal the current provisions of the Federal criminal code.

The House recedes with an amendment including related provisions of the criminal code.

The Senate bill provides for criminal penalty of a $5,000 fine or one year in prison, or both to any person who willfully instructs or impedes an investigation by Federal authorities under the Training for Jobs Act.

The House amendment contains no similar provisions except as above.

The House recedes.

The Senate bill provides that all references to CETA in other statutes shall be deemed to refer to the Training for Jobs Act once this legislation is enacted.

The House amendment contains no similar provision.

The House recedes with an amendment to provide that references to CETA in other statutes shall be deemed to refer to the Job Training Partnership Act.

The Senate bill repeals section 5(b) of the CETA Amendments of 1978, section 11(a) of the Wagner-Peyser Act, and all provisions of CETA except title IV-B (Job Corps) and title V (National Commission on Employment Policy).

The House amendment repeals all provisions of CETA.

The Senate recedes.

JOB CORPS

The Senate bill extends current authority for the Job Corps (CETA, title IV-B), making only technical and conforming changes to accommodate the repeal and replacement of related provisions of CETA.

The provisions of the House amendment reauthorizing the Job Corps make similar technical and conforming changes.

The House amendment adds language to the statement of purpose emphasizing that the Job Corps is to remain a distinct national program.

The Senate recedes.

The Senate bill maintains the existing age limitations for Job Corps eligibility of 14 through 21, inclusive.

The House amendment establishes new age limitations of 16 through 25, inclusive, except that the Secretary is authorized to promulgate regulations to permit nonresidential services for 14 and 15 year old youth and to allow for the participation of young adults aged 22 through 24, inclusive, according to their different needs and characteristics.

The House recedes with an amendment to authorize one or more pilot projects to determine the value of Job Corps participation for young adults ages 22 to 24, inclusive.

The House amendment adds prime sponsors to the list of agencies deemed especially appropriate for the screening and selection of Job Corps applicants, and it authorizes the Secretary to reimburse individuals or organizations for the cost of proper recruitment, screening and selection of participants.

The Senate bill contains no similar provisions.

The Senate recedes with an amendment to indicate that these are the initial performance standards.

Under the Senate bill the Secretary's standards shall include the appropriate pre-program base period, post-program follow-up, and cost-effective methods for obtaining data. The House amendment does not specify these process requirements.

The Senate bill provides that the Secretary shall prescribe standards relating gross program expenditures to total earnings gains and reductions in cash welfare payments to participants.

With respect to prime sponsors, the House amendment provides that national performance criteria shall be based on appropriate factors including placement and retention in unsubsidized employment, earnings gains, and reduction in the number of welfare recipients.

The conferees agree that the job training program must be performance driven rather than process driven. There are two overall goals of this program for disadvantaged adults under this Act: Increased employment and earnings, and reduced welfare dependency. The Secretary shall determine underlying measurable performance standards that contribute to the achievement of the two overall program goals. Program expenditures can be related to the accomplishment of the objectives measured by these performance standards. Measurable performance standards are to be established for use in the first program year (July 1, 1984 to June 30, 1985). The Secretary reports to the Congress regarding the performance standards and modifications thereto. The Governor of a State may adjust the performance standards within given parameters established by the Secretary. The adjustments are made to take into account the impact on performance resulting from such factors as local economic conditions, and geographic and demographic differences and influences. The conferees also agree that separate performance standards measuring placement and retention in unsubsidized employment are appropriate for the dislocated workers program under this Act.

The Senate bill provides that performance criteria for youth may be developed by local program administrators based on employment competencies recognized by the Private Industry Council and placement and retention in employment. These criteria and competencies are to be reviewed for adequacy by the Governor and the Secretary.

The House amendment provides that the Secretary shall designate additional factors for evaluating youth programs which shall be attainment of employability competencies, school completion and enrollment in training programs or apprenticeships or the military.

The Senate recedes with an amendment to clarify that the employment competencies are recognized by the private industry council.

The Senate bill provides that the Secretary shall prescribe variations in performance criteria for Native American and Migrant and Seasonal Farmworker Programs.

The House amendment provides for the Secretary to establish performance criteria appropriate to State programs, displaced workers programs under title III, and Native American and Migrant and Seasonal Farmworker Programs under title IV-A.

The Senate recedes with an amendment to agree that there should be separate standards for dislocated workers programs and state programs.

The Senate bill provides that the Governor may prescribe variations in the standards based on specific economic factors in the state and areas within the state.

The House amendment provides that the Secretary shall determine the adequacy of proposed performance goals on the basis of minimum performance standards designed to measure outcomes. Based on the national performance criteria, the minimum standards approved by the Secretary shall reflect variations in local conditions and employment barriers. In addition, the Secretary may modify the applicability of any standard for any prime sponsor demonstrating exceptional hardship.

Conference agreement conforms to the agreement on performance standards.

The Senate bill requires the annual report for each service delivery area to specify the extent to which the program met performance standards.

The House amendment has no comparable provision.

The House recedes.

Both the Senate bill and the House amendment provide for technical assistance to programs failing to meet performance standards.

Under the Senate bill, the Governor has the responsibility, and under the House amendment the Secretary has the responsibility, to provide such assistance. In case of failure to meet performance criteria for two consecutive years, the Senate bill requires the Governor to impose a reorganization plan, and authorizes the Governor to select an alternate administrative entity. The House amendment requires the Secretary to designate the State or other alternate prime sponsor in such circumstance.

The House recedes.

The Senate bill provides that no change in administrative entity can be made without an opportunity for a hearing.

The House amendment has no comparable provision.

The House recedes.

ADMINISTRATIVE AND MONITORING PROVISIONS

Both the Senate bill and the House amendment authorize the Secretary to investigate matters relating to compliance. The Senate bill, but not the House amendment, explicitly authorizes the Secretary to monitor all recipients and subrecipients, and in conducting investigations to examine records and question employees.

The House recedes with an amendment to authorize the Secretary to take such emergency action as is necessary to protect Federal funds.

The Senate bill provides that each State establish fiscal control and full accounting procedures. The Director of the Office of Management and Budget, in consultation with the Comptroller General, shall establish guidance for audits, including a review of State procedures.

The House amendment provides that the Secretary shall estabagement systems and procedures for recipients to assure against program abuses.

The Senate bill requires each State to audit each recipient and subrecipient every two years, with exemptions by the Secretary.

The House amendment authorizes the Secretary to require prime sponsors to participate in unified audit programs.

The conference agreement adopts the Senate provision with an amendment authorizing the Governor to issue notice of intent to revoke plan approval in cases of substantial violations of the Act or regulations. Such notice is subject to the same appeal procedures as the Governor's plan approval.

The House amendment retains the existing law's provisions that each recipient shall be responsible for allocation of funds, eligibility of participants, and actions to prevent misuse by subcontractors.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to insert "Each recipient of funds under this Act" in lieu of "Each recipient receiving funds directly from the Secretary", to insert "Such recipients of funds" in lieu of "Prime sponsors", and to allow recipients of funds to delegate responsibility for eligiblility determination under criteria adequate to safeguard federal funds, if such criteria have not been disapproved by the Governor in accordance with the provisions for plan approval under this Act.

The Senate bill requires the Comptroller General to evaluate recipients and subrecipients on a selective basis.

The House amendment has no comparable provision.

The House recedes.

The House amendment provides that the Secretary shall have the authority, in cases of noncompliance, to revoke recipients' plans, to terminate financial assistance, and order sanctions or corrective actions.

The Senate bill has no comparable provision.

The House recedes.

The Senate bill and the House amendment contain similar authority when funds have been misspent to withhold future funding and require repayment.

The House amendment, but not the Senate bill, provides that in determining whether to impose sanctions against a prime sponsor for violations by a subgrantee of such prime sponsor, the Secretary may waive the imposition of sanctions against a prime sponsor which has adhered to an appropriate system for the award and monitoring of contracts, entered into a clear and unambiguous contract with the subgrantee, acted with due diligence to monitor its implementation, and taken prompt corrective actions. The Secretary is authorized to impose sanctions directly against the subgrantee.

The Conference agreement provides that the Secretary may withhold that amount of misspent funds from a recipient's future funding, if notice and opportunity for a hearing are provided. The Secretary may also require recipients to repay misspent funds resulting from willful disregard of this Act or gross negligence from sources other than under this Act, if notice and opportunity for a hearing are provided.

The Conference agreement also provides that in determining whether to impose sanctions against a recipient of funds for violations by a subgrantee of such recipient, the Secretary may waive the imposition of sanctions against a recipient of funds which has adhered to an appropriate system for the award and monitoring of contracts, entered into a clear and unambiguous contract with the subgrantee, acted with due diligence to monitor its implementation, and taken prompt corrective actions. The Secretary is authorized to impose sanctions directly against the subgrantee. With the exception of this provision, the responsibility and full liability of recipients of funds is not reduced.

The House amendment authorizes the Secretary, in emergency situations, to immediately suspend financial assistance, followed by a hearing within 30 days.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment requires the Secretary to take corrective actions within 30 days of determining that any recipient has discharged or discriminated against any person in the administration of the program or against any person who has filed a complaint or testified in any proceeding, or has unlawfully denied benefits, or (2) discriminated or failed to provide opportunities at levels of skill and remuneration commensurate with the participant's capabilities or potential capabilities.

The Senate bill has no comparable provision.

The conference agreement provides for such corrective actions within 30 days of determining that any recipient has discharged or discriminated against any person in the administration of the program or against any person who has filed a complaint or testified in any proceeding or has unlawfully denied benefits.

The House amendment authorizes the Secretary to utilize the services of State and local agencies in carrying out this section.

The Senate bill has no comparable provision.

The House recedes.

The House amendment provides that the existence of remedies under this section shall not preclude any person alleging violations by a prime sponsor or other recipient from instituting or pursuing other remedies authorized under Federal, State or local law.

The Senate bill has no comparable provision.

The Senate recedes with an amendment providing that the remedies provided under this Act are not exclusive.

The House amendment retains the existing law's requirements for bonding of officers, directors, agents, and employees of recipients.

The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill requires recipients to keep records sufficient to trace funds adequately.

The House amendment provides that each recipient keep such records as the Secretary requires with regard to each employee and each participant.

The House recedes.

The Senate bill provides that reports shall not be required more often than quarterly unless specifically requested by the Congress or a Congressional Committee.

The House amendment requires reports not less frequently than quarterly.

The House amendment further requires an annual report on program activities and participant characteristics, as well as a cost-benefit evaluation of programs.

House recedes with an amendment that reports required by the Secretary shall be uniform in content and form as required by the Secretary.

The Senate bill provides investigative authority to the Secretary, requiring investigations in several States each fiscal year.

The Senate bill also authorizes the Comptroller General to investigate use of funds by recipients.

The House amendment does not contain comparable provisions.

The House recedes.

The Senate bill provides that each State shall make reports concerning its operations and expenditures as prescribed by the Secretary, and shall maintain a management information system for data on statewide and service delivery bases.

The House amendment has no comparable provision.

The House recedes with an amendment to require each State's report to the Secretary to include data on participant characteristics and cost/benefit analyses of programs.

The House amendment requires each contractor or grantee under the Act to establish grievance procedures for interested parties which mandate hearings within 30 days, and decisions within 60 days, from the date a grievance is filed.

The Secretary is authorized to investigate and determine the validity of grievances left unresolved by such grievance procedures or other complaints alleging violations of the Act.

The Senate bill has no comparable provisions.

The Senate recedes with amendment to insert "final decision" in lieu of "resolution" in House language.

The Senate bill provides access to administrative hearings for an applicant for assistance dissatisfied with the Secretary's decisions concerning the award of financial assistance to, or the imposition of sanctions or corrective actions on, such applicant. The burden of proof in such hearings rests with the applicant. The decision of the administrative law judge (ALJ) becomes final unless exception to such decision is filed with the Secretary and accepted for review within 30 days. In the case of exceptions accepted for review by the Secretary, the decision of the ALJ becomes final unless modified by the Secretary within 180 days of the date such exceptions are filed.

The House amendment prevents the Secretary from revoking assistance or instituting corrective actions or sanctions against a recipient of funds until notice and an opportunity to informally resolve the alleged problems on which such proposed actions by the Secretary are based.

The House recedes with an amendment to strike the Senate language imposing burden of proof on the applicant for assistance.

The Senate bill authorizes the Secretary to prescribe appropriate rules and regulations, including adjustments authorized under the

Intergovernmental Cooperation Act of 1968, which shall be published in the Federal Register and transmitted to Congress at least 30 days prior to their effective date.

The House amendment has no comparable provision.

The House recedes.

The Senate bill provides specific authority for the Secretary to contract or expend funds to meet the purposes of the Act.

The House amendment contains no comparable provision.

The House recedes.

In the House amendment, allocations are based on the latest available data and estimates. The Secretary is required to publish in the Federal Register the proposed allocation to prime sponsors for funds allocated by formula.

The Senate bill has no comparable provision.

The Senate recedes with an amendment that 1980 census data (or later data) be used for determining the number of economically disadvantaged and low income persons.

The House amendment requires that the Secretary publish for comment a utilization plan for discretionary funds not less than 30 days prior to allocation of the funds. If a formula is used for distribution purposes, the formula and the proposed amounts to be distributed shall be published for comment at least 30 days prior to allocation. Consideration of comments must be made prior to final publication in both instances.

The Senate bill requires the Secretary and the Governor to provide a prior opportunity for comment to any entity administering a program under Title I of the bill concerning the making of grants, contracts, or agreements affecting the delivery of employment and training services in the service delivery area of such administrative entity.

The Senate recedes with an amendment eliminating the requirement that the Secretary solicit comments on the utilization plan for discretionary funds.

The House amendment provides for reallocation of unobligated funds by the Secretary to the extent that it can be determined that such funds will not be used in a reasonable period of time. Thirty days advance notice of reallocation must be given to allow for comment. Notification must be given to the Governor and prime sponsor regarding final decision to reallocate funds. Decisions shall be published. Priority for reallocation shall be given first to other prime sponsor areas in the same state, and then to prime sponsor areas in other states.

The Senate bill has no comparable provision.

The House recedes.

The House amendment requires that the Secretary shall establish a date for the submission of plans by March 31 of the year preceding the fiscal year the plan takes effect. Complete and final regulations and application material shall be made available by May 15 of such year. If the May 15 date is not met, the submission date for plans is to be extended. No additional regulations, guidelines or interpretations that would affect approval or disapproval of a plan shall be issued between May 15 and the date for plan submission. If a plan change is required, at least 90 days shall be allowed for the submission of the plan change.

DISTRIBUTION OF FUNDS AMONG PROGRAMS

	Senate bill	House amendment
State and local programs	78 percent of appropriations [1]	Such sums appropriation.
National programs	22 percent of appropriations [1]	Such sums appropriation.
Job Corps	66 percent thereof (14.52 percent of overall funds) except for fiscal year 1983 sufficient to provide for funding of fiscal year 1982 level.	Such sums appropriation except $650,000,000 for fiscal year 1983.
Native American programs	10.5 percent thereof (2.31 percent of overall funds)	Amount equal to 2.7 percent of funds for state and local programs.
Migrant and seasonal farmworker programs	10 percent thereof (2.2 percent of overall funds)	Amount equal to 2.8 percent of funds for state and local programs.
Veterans employment programs	2 percent thereof (0.44 percent of overall funds)	Amount equal to 0.4 percent of funds for state and local programs.
Costs of administration, research, evaluation, pilot projects, technical assistance, labor market information.	11.5 percent thereof (2.53 percent of overall funds)	Such sums appropriation.
National Commission for Employment Policy	(0.05 percent of overall funds)	($2 million reserved).

[1] For the Senate bill, references to appropriations and overall funds in this chart do not include title V—Dislocated Workers, or title VII—Summer Youth Program.

MICROFILMED FROM
BEST AVAILABLE COPY

The Senate bill does not have comparable provisions.

The Senate recedes with an amendment requiring the Secretary to issue regulations or modifications to regulations applicable to a program year no later than 120 days before the beginning of the program year.

The Senate bill authorizes the Secretary to use, to the extent appropriate, and with consent, other public and private organizational and local, State or Federal agencies' resources and facilities.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill provides that programs and activities funded or assisted under this Act are considered as programs and activities receiving Federal financial assistance for the purposes of applying prohibitions against discrimination on the basis of age, handicap, sex, race, color or national origin. No comparable House provision. The House recedes. Additionally, no person on the basis of sex, religion or political affiliation or belief shall be excluded from participation in, denied the benefits of or subjected to discrimination in the provision of services.

The Senate bill provides that no person on the basis of sex, religion or political affiliation or belief shall be excluded from participating in, denied the benefits of or subjected to discrimination in the provision of services.

The House amendment provides that no individual shall be excluded from participation, denied the benefits of, subjected to discrimination under or denied employment in programs under this Act on the basis of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

The Senate recedes.

The Senate bill allows participation in the programs under this Act by citizens, nationals, lawfully admitted refugees, and parolees and other persons authorized to work in the United States.

The House amendment has no similar provision.

The House recedes.

The House amendment prohibits employment in the construction, operation or maintenance of facilities used for sectarian instruction or religious worship.

The Senate bill has no similar provisions.

The Senate recedes.

The House amendment prohibits discrimination against individuals solely because of their status as participants in activities under this Act.

The Senate bill has no similar provision.

The Senate recedes.

The Senate bill permits contractors subject to affirmative action obligations under Executive Order 11246 to establish or participate in training programs for eligible participants under this Act designed to assist in the training and placement of eligible participants. If such programs, as established and implemented, meet the criteria established in the Senate bill as well as criteria established for such programs by the Office of Federal Contract Compliance Programs, the contractor may maintain an abbreviated affirmative action plan and the successful performance of such contractor's training program shall create a presumption of good faith effort by such contractor to meet affirmative action obligations.

The House amendment has no similar provision.

The House recedes with amendments to clarify the description of the training program, to clarify the presumption of good faith, to define successful performance and to clarify the authority of the Secretary.

The conference intends that the short form affirmative action plan to be developed by the Director of the Office of Federal Contract Compliance shall contain, in useable form, the relevant information required by the current regulations implementing Executive Order 11246. At a minimum this information should cover (1) a statement of the contractor's equal employment opportunity policy, (2) a work force analysis, (3) an utilization analysis, (4) the contractor's goals and timetables for any underutilization found pursuant to the utilization analysis, and (5) a description of the contractor's procedures for implementing its affirmative action obligations.

The Senate bill requires the Secretary to notify recipients or subrecipients of funds if they fail to comply with the nondiscrimination provisions. If within 60 days of notification the recipient or subrecipient fails or refuses to comply, the Secretary may: (1) refer the matter to the Attorney General for civil action in any appropriate district court, (2) exercise the powers provided under the appropriate laws, or (3) take other action as may be provided by law. Under Job Corps, the members shall be considered as the beneficiaries of Federal financial assistance.

The House amendment has no similar provisions. (Discrimination provisions are enforced in the same manner as other provisions of the Act.)

The House recedes.

The Senate bill provides judicial review for applicants for and recipients of financial assistance.

The House amendment also provides judicial review to any interested person.

The House recedes with an amendment to conform House provisions concerning Secretary's findings of fact and scope of appellate review to Senate structure.

The Senate bill provides that the conditions of training and training-related employment shall be consistent with applicable state and Federal law. The House amendment has no comparable provision.

The House recedes.

The Senate bill provides persons in on-the-job training shall be compensated at the same rate, including increases, as similarly situated employees or trainees and in accordance with applicable state and Federal law.

The House amendment requires that individuals in on-the-job training shall be compensated at rates, including increases, that are considered reasonable through regulation of the Secretary when such factors as industry, geographic region, skill requirements and individual proficiency are considered. In no event shall the compensation be less than the higher of the rate of the Federal minimum wage as established under the Fair Labor Standards Act or the applicable state or local minimum wage law.

The Senate recedes with an amendment deleting the references to industry, geographical region, skill requirements and individual proficiency.

The House amendment provides that existing Federal and state health standards must apply to program participants and when an individual engages in activity which is not covered by OSHA, the Secretary shall prescribe the necessary regulation.

The Senate bill contains no comparable provision except that conditions shall be consistent with applicable Federal and state law.

The Senate recedes.

The House amendment specifies that worker's compensation benefits shall be available to program participants in situations where a state law applies. Where state law does not apply, each recipient of funds shall secure insurance for injuries suffered in accordance with the regulations prescribed by the Secretary.

The Senate bill contains no similar provision except as above.

The Senate recedes.

The House amendment contains provisions mandating that all individuals employed in subsidized jobs shall be provided benefits and working conditions at the same level and extent as other employees working the same amount of time and doing the same type of work.

The Senate bill contains no comparable provision.

The Senate recedes.

The House amendment provides that no funds under the Act may be contributed to retirement plans.

The Senate bill contains no comparable provision.

The Senate recedes with an amendment to provide that no funds under the Act may be contributed to retirement plans on behalf of participants.

The House amendment provides that no program shall impair collective bargaining agreements, and that programs inconsistent with the terms of a collective bargaining agreement must receive the written concurrence of the concerned labor organization.

The Senate bill contains no similar provision.

The Senate recedes with an amendment to require the concurrence of the employer also.

The House amendment provides that no participant shall be employed at a job opening arising from the layoff of an individual not supported under the Act or when any other individual not supported under this Act has been laid off from an equivalent job.

The Senate bill contains no similar provision.

The Senate recedes.

The House amendment provides that no jobs shall be created in a promotional line that will infringe upon employment opportunities of individuals employed in jobs not subsidized under the Act.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment provides that no jobs shall be substituted for existing Federally assisted jobs.

The Senate bill contains no similar provisions.

The House recedes.

The House amendment provides that recipients of funds must assure the Secretary that no funds will be used to assist, promote, or deter union organizing.

The Senate bill contains no similar provisions.

The Senate recedes.

The House amendment provides that labor organizations representing employees engaged in work or training similar to those prepared under the Act be given an opportunity to submit comments on job training proposals to the applicant and to the Secretary.

The Senate bill contains no similar provision.

The Senate recedes.

The House amendment provides that Davis-Bacon standards concerning comparable wage rates shall apply to construction work financed under the Act.

The Senate bill has no comparable provision.

The Senate recedes with an amendment specifying that bonafide trainees in a training program under the Act are not subject to this provision, though they are subject to the requirement for equal treatment for similarly situated employees.

The House amendment mandates that prime sponsors shall provide employment and training for those who can benefit from, and are most in need of, such opportunities and shall make every effort to provide equitable services among significant segments of the eligible population.

The Senate bill has no similar provision.

The Senate recedes with an amendment to require that efforts to provide equitable services among substantial segments of the eligible population shall be made. It is not the intent of the conferees that quotas be established by the inclusion of this language.

The House amendment provides that funds under this Act shall only be used for activities in addition to those which would otherwise be available in the absence of such funds.

The Senate bill has no similar provision.

The Senate recedes.

The House amendment provides that no funds shall be used to relocate establishments or locate new branches, subsidiaries, or affiliates unless the Secretary determines that such action will not result in an increase in unemployment in the area of original location or in any other area.

The Senate bill has no similar provision.

The Senate recedes with an amendment to strike language relating to location of new branches, subsidiaries or affiliates so that the prohibition relates only to relocation.

The House amendment provides that training shall only be for occupations for which there is a demand in the area served or in any other area in which the participant is willing to relocate. Priority shall be given to training in occupations in sectors of the economy which have a high potential for sustained demand or growth (according to results of labor market analysis made under section 104(b)(2)(A).)

The Senate bill has no similar provision.

The Senate recedes with an amendment deleting "priority" and authorizing that "consideration may" be given to training in occupations in sectors of the economy which have a high potential for sustained demand or growth.

The House amendment provides that all programs, to the maximum extent feasible shall contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping (including training in occupations traditionally filled by the other sex).

The Senate bill has no similar provision.

The Senate recedes with an amendment deleting "to the maximum extent feasible" and requiring that efforts be made to develop programs which contribute to occupational development, upward mobility, development of new careers, and overcoming sex-stereotyping in occupations traditional for the other sex.

The House amendment provides that no member of any council shall cast a vote on any matter which has a direct bearing on any services to be provided by that member (or organization that member represents) or vote on any matter which would financially benefit the member or affiliated organization.

The Senate bill has no similar provision.

The Senate recedes with an amendment providing that no member of any council shall cast a vote on the provision of services by that member (or any organization which that member directly represents) or vote on any matter which provide direct financial benefit to that member.

The House amendment prohibits use of Federal assistance for the payment of a fee for the placement or referral of any individual in a training or employment program.

The Senate bill has no similar provision.

The Senate recedes with an amendment specifying that individuals may not be charged a fee for placement or referral to a training or employment program.

The House amendment restricts eligibility for obtaining subsidized private, for profit employment to economically disadvantaged youths, aged 16 to 21 inclusive.

The Senate bill has no similar provision.

The Senate recedes.

TRANSITION

The Conferees consider it essential that there be an effective transition from current law to the new program under this Act and they have included a number of provisions to facilitate such a transition including flexibility in the time requirements and other provisions applicable to local planning. They recognize, however, that it will take the coordinated efforts of the Secretary, the Governors, of local officials and of the business community to turn that expectation into a reality.

The Conference agreement provides, in general, that the provisions of current law will remain in effect through FY 1983 but authorizes activities to promote the transition during that period. Further, it sets time limits for the Secretary's rulemaking to ensure that the other parties will have time to carry out their functions.

The Senate bill authorizes the Secretary to use funds to provide financial assistance according to existing CETA provisions, to the extent necessary to provide for the orderly transition of programs carried out under CETA.

The House amendment contains a similar provision, however, the word "shall" is substituted for the word "may".

The conference agreement provides that the Secretary shall use funds to provide financial assistance during fiscal year 1983 under the provisions of CETA.

The Senate bill allows the Secretary to waive the application of any requirement of law relating to rulemaking that the Secretary deems necessary to carry out the transition provisions.

The House amendment does not contain a similar provision.

The House recedes with an amendment that specifies that the requirements relating to publishing a proposed rule and providing for an opportunity for comment may not be waived.

The House amendment provides that the Commission established by Title V of CETA shall be authorized until September 30, 1983, when the property and records of such Commission shall be transferred to the commission established by Part E of Title IV of this Act.

The Senate bill contains no similar provision.

The Senate recedes.

The Senate bill authorizes the Secretary to withhold funds otherwise payable to a recipient under this Act to satisfy debts to the Government under CETA.

The House amendment contains no similar provision.

The Senate recedes.

The House amendment notes that no provisions in this subsection shall prohibit the prime sponsor from implementing the provisions of this Act prior to the expiration of the Secretary's transition authority.

The Senate bill contains no similar provision.

The Senate recedes with an amendment that makes clear that prime sponsors, Governors and other recipients of funds may use funds during the transition year to consolidate program activities, establish uniform eligibility criteria consistent with the new law for new enrollees and prepare for or plan for activities authorized under the new law or to prepare for an orderly transition.

The Conferees also intend that the transition from national programs under the Comprehensive Employment and Training Act to those authorized under this Act be conducted in a manner as nondisruptive as possible. Therefore, the Conferees intend that the F.Y. 1983 program year be utilized fully as a transition period, and that changes in current programmatic requirements, contracting procedures and grant periods be minimized, so that orderly preparation and planning for new activities can take place.

The Senate bill provides that all orders, rules, permits, regulations, grants, licenses, and privileges issued under CETA on or before the effective date of this Act or September 30, 1982 shall remain in effect until modified or revoked by the Secretary, the courts, or other law.

The House amendment contains no similar amendment.

The House recedes.

The House amendment requires the Secretary to publish a full set of proposed regulations to carry out this Act not later than March 1, 1983.

The Senate bill contains no similar provisions.

The Senate recedes with an amendment requiring that rules necessary for the final designation of service delivery areas shall be published in final form by January 1, 1983, those necessary for the appointment and certification of the PIC by Jan. 15, 1983, and all other regulations by March 15. Amendments to such regulations that would affect the legal validity of the certified PIC's could not become effective before the end of the first 2 program-year planning cycle.

The Senate bill mandates that the provisions of this Act shall not affect administrative or judicial proceedings begun before September 30, 1984 under CETA.

The House amendment contains no similar provisions.

The House recedes.

The House amendment provides that real or personal property acquired by prime sponsors under CETA which are not transferred to prime sponsors under this Act by September 30, 1982 shall revert to the United States.

The Senate bill contains no similar provisions.

The Senate recedes with an amendment specifying that such property shall be transferred to the administrative entity for the appropriate service delivery area.

The House amendment provides that funds for fiscal year 1982 under CETA, which were not obligated during 1982, shall remain available for obligation by the prime sponsor for the area under this Act, for fiscal year 1983. No reduction in appropriations to the prime sponsor for fiscal year 1983 shall be made on account of this carryover.

The Senate bill contains no similar provisions.

The Senate recedes.

The Senate bill provides that, upon implementation of this Act by the Secretary, no funds shall be spent for federal or state advisory councils under Wagner-Peyser, or for labor market advisory councils under Title IV of the Social Security Act.

The House amendment contains no similar provisions.

The Senate recedes.

The House amendment establishes that the amendments to the WIN program & Wagner-Peyser Act shall be effective October 1, 1982. However, the bill allows the Secretary to use the authority contained in existing law during FY 1983.

The Senate bill contains no similar provisions.

The Senate recedes with an amendment providing that the effective date shall be Oct. 1, 1983.

The Senate bill provides that any agent of the government working under the provisions of this Act who engages in criminal activity involving the funds, personnel, or materials provided under this Act, shall be fined not more than $10,000 or imprisoned for two years, or both, unless the amount of funds embezzled or stolen is less than $100 in which case the maximum penalty is a $1,000 fine or one year imprisonment, or both.

The Senate recedes.

The Senate bill maintains the existing limitation on the duration of Job Corps participation of two years.

The House amendment allows an exception to this two year limitation for individuals enrolled in advanced career training programs authorized under section 428 of the House amendment.

The Senate recedes.

The Senate bill extends existing provisions which permit Job Corps centers to be either residential or nonresidential in character.

The House amendment requires all centers to be residential in nature, although they could have nonresidential components.

The House recedes with an amendment to require that aggregate nonresidential enrollment cannot exceed ten percent of the total Job Corps enrollment in any fiscal year. The Conferees believe it is important to emphasize that the purpose of this nonresidential limitation is not to diminish existing nonresidential activities, but only to ensure that the overall residential character of the program is maintained.

The Conferees recognize that Job Corps, in recruiting and training youth of similar economic and age characteristics, also serve youth of widely varying learning capacities, frequently creating the need for flexible training strategies. Some specially developed Job Corps programs require unique facilities, training sites and supportive services which are not typically available at Job Corps Centers.

The Conferees therefore recognize the value of existing Job Corps satellite programs, which are already limited in number and capacity, and therefore note that these programs should not be affected by the 10 percent nonresidential limitation.

The House amendment requires each Job Corps Center Director or his designee to serve as liaison officer to the various State and local employment and training councils authorized under other provisions of the bill, for the purpose of improving coordination.

The Senate bill has no comparable provision.

The House recedes.

The House amendment authorizes the establishment of advanced career training programs in which corps members who have attained a high school diploma or its equivalent and demonstrated special ability, commitment and direction can continue their participation for an additional year in post-secondary programs or intensive, company-sponsored training programs which include work-site internships.

The Senate bill has no separate authorization for such programs, but would permit advanced career training activities.

The Senate recedes with an amendment to permit the reduction of Job Corps payments for participants in ACT programs by the amounts which such participants receive through any education grant-in-aid program.

The Senate bill extends current authority for the payment of allowance and support stipends during participation.

The House amendment makes these payments mandatory.

The Senate recedes.

The Senate bill maintains the current maximum monthly allowance limitations of $60 for the first six months of participation and $100 thereafter, as well as the current readjustment allowance limitation of $100 for each month of satisfactory participation.

The House amendment raises such limits to $70, $125, and $125, respectively, and it indexes these limitations to the cost of living.

The Senate recedes with an amendment to raise participation and readjustment allowance maximums to $65, $110 and $110 respectively, and to strike indexing.

The House amendment authorizes the development of special activities to disseminate information gained from Job Corps experience which may be of use in the innovation and improvement of related programs.

The Senate bill has no comparable provision specifically authorizing such activities.

The Senate recedes.

The House amendment authorizes the development of Job Corps programs to field test selected education and training activities.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment authorizes the Secretary to arrange for pilot programs with the Secretary of Defense to prepare youth to qualify for military service, and to expand such activities into permanent programs if the Secretary of Defense agrees to provide 90 percent of the cost of such programs.

The Senate bill has no separate provision for pre-military programs, but would permit such activities.

The Senate recedes with an amendment to require that if pilot projects to prepare youth to qualify for military service are to become permanent programs, DOD must provide not less than 50 percent of the cost of such programs, and must reimburse the Job Corps an amount proportionate to the percentage of successful placements in armed services in excess of 50 percent.

The House amendment authorizes pilot projects to determine whether Center operation by community-based organizations of demonstrated effectiveness can improve community participation in Job Corps.

The Senate bill has no similar provision.

The Senate recedes.

The House amendment authorizes the Secretary to accept charitable donations of cash or other assistance on behalf of the Job Corps or individual Job Corps Centers.

The Senate bill has no comparable provision.

The Senate recedes.

NATIONAL COMMISSION FOR EMPLOYMENT POLICY

The Senate bill retains the provisions of Title V of CETA relating to the National Commission for Employment Policy (NCEP) with the following amendments: the Commission is composed of 15 members including federal agency heads as non-voting members and a representative of the National Advisory Council on Vocational Education and 9 members appointed by the President who are representative of labor, industry, commerce, education, etc. Of the

Members first taking office 3 shall serve for 1 year; 3 shall serve for 2 years and 3 shall serve for 3 years. The Senate bill also allows the Chairman of the NCEP to increase from 3 to 6 the number of staff who can be appointed without regard to civil service rules and regulations.

The House amendment reconstitutes the National Commission for Employment Policy as a nongovernmental independent agency (National Commission on Employment and Productivity) comprised of 19 members, 15 of whom shall be appointed by the President. Two members shall be appointed by and serve at the pleasure of, the Speaker of the House and 2 members shall be appointed by and serve at the pleasure of the Majority Leader of the Senate. Of such members first taking office 5 shall serve for 1 year; 5 shall serve for 2 years and 5 shall serve for 3 years.

The Senate recedes with an amendment to change the name to National Commission for Employment Policy; reduce membership to 15, eliminating congressional appointees; include one representative from National Advisory Council on Vocational Education; and increase limitation to five for additional professional personnel not subject to title V of the United States Code.

WAGNER-PEYSER

The Senate bill defines service delivery area the same as in the Training for Jobs Act.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill provides for forward funding on a program year basis.

The House amendment has no comparable provision.

The House recedes.

The application of the formula in the Senate bill is first effective for fiscal year 1983.

The House amendment's formula provisions with respect to Wagner-Peyser funds are first effective for fiscal year 1984.

The Senate receeds.

The Senate bill provides that Guam and the Virgin Islands shall receive the same allotment percentage as they did in fiscal year 1982.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill distributes funds on the basis of the relative number of persons in the labor force.

The House amendment distributes funds 50% on the basis of the relative number of persons in the labor force and 50% on the basis of the relative number of unemployed.

The conference agreement provides that two-thirds of funds are distributed on the basis of relative number of civilians in the labor force and one-third on the basis of relative number of unemployed individuals.

The Senate bill provides that, after the application of the factors in the formula, any State which would otherwise receive a lower allocation must have its allocation raised to 90 percent of its percentage share for the preceding year.

The House amendment provides that, prior to application of the formula factors, each State will first receive 90 percent of its percentage share for the preceding year, but not to exceed 90 percent of the *amount* of its allocation for fiscal year 1983.

The House recedes.

The House amendment provides that no state shall receive a total allocation which is less than 0.28 percent of the total amount available for allocation. The Senate bill has no comparable provision.

The Senate recedes.

The House amendment directs the Secretary to reserve an amount not to exceed 3 percent of the sums available for allocation to assure that each state (including the District of Columbia) will have a total allocation sufficient to provide staff and other resources necessary to carry out employment service activities on a statewide basis.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment directs the Secretary to provide preliminary planning estimates not later than May 15 of fiscal year 1983 and each succeeding fiscal year and provide final planning estimates showing each State's projected allocation for the following fiscal year not later than July 15 of each such fiscal year.

The Senate bill has no comparable provision.

The conference agreement provides for preliminary planning activities by March 15 and final planning estimates by May 15 prior to each program year.

The Senate bill provides that 25 percent of the funds shall be retained at the State level.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill provides that no more than 10 percent of each State's 25 percent may be used for the cost of auditing activities and other administrative activities and the remainder for statewide activities.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill provides for the suballocation of the remainder of the funds to service delivery areas in accordance with the relative number of persons in the labor force.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill requires the PIC established under the Training for Jobs Act, in consultation with the State employment security agency, to prepare a plan for the service delivery area. If there is no PIC, the plan shall be prepared in cooperation with an official designated by the Governor.

The House amendment provides for local components of the employment service plan to be jointly developed by prime sponsors and the State employment service and transmitted to the SETCC for certification that the plan is consistent with the Governor's coordination and special services plan under the Job Training Partnership Act. The Governor may review and propose modifications in the plan submitted to the Secretary.

The Senate recedes with an amendment to strengthen joint planning at the local level.

The Senate bill prohibits the use of funds under the Wagner-Peyser Act for advertising in newspapers for jobs paying more than twice the minimum wage.

No comparable House provision.

The House recedes with an amendment to require reporting on advertising and justification for advertising for high-paying jobs.

The Senate bill does not prohibit referral of any applicant to private agencies as long as applicant is not charged a fee.

No comparable House provision.

The House recedes.

The Senate bill requires the States to establish fiscal control and fund accounting provisions.

The House amendment has no comparable provision.

The House recedes.

DISLOCATED WORKERS

The House amendment contains a statement of purpose for the displaced worker program.

The Senate bill does not.

The House recedes.

The House amendment provides that 25 percent of the funds shall not be subject to the allocation formula.

The Senate bill has no comparable provision.

The Senate recedes.

The Senate bill provides that the funds appropriated shall be allocated among the states on the basis of the relative number of long term unemployed persons within the state. (Long term unemployed is defined as unemployed for 15 weeks or longer).

The House amendment provides that the remainder of the funds shall be allocated ⅓ on the basis of the relative number of unemployed persons; ⅓ on the basis of the relative number of excess unemployed persons defined as those in excess of the 4.5 percent of the labor force; and the other ⅓ on the basis of the relative number of unemployed for 15 weeks or more.

The Senate recedes.

The House amendment provides that the funds not subject to the allocation formula, shall be used for providing assistance to individuals affected by mass layoffs, natural disasters, federal government actions or for those who reside in areas of high unemployment. These funds shall be distributed on the basis of applications submitted by States. No comparable Senate provision.

The Senate recedes.

The Senate bill provides that the Secretary may reallocate amounts which he determines that the State will not be able to use.

The House amendment has no comparable provision.

The House recedes with an amendment to require the Secretary to determine that the state will not be able to "obligate" such amount within "one year of allotment."

The Senate bill requires the state to establish procedures to identify substantial groups of workers who qualify as dislocated workers.

The House amendment defines eligible participants on an individual basis.

Both the Senate and House provisions are accepted.

The Senate bill provides that the state (1) may provide for the use of private industry councils to assist in making the identification of dislocated workers; (2) shall determine what job opportunities exists within the labor market or outside the labor market area for which such workers could be retrained; and (3) shall determine whether training opportunities for such employment opportunities exist or can be provided within the area.

The House amendment has no comparable provisions.

The House recedes.

The Senate bill provides for the dissemination of information concerning training opportunities to dislocated workers and provides that the acceptance of training for such opportunities shall be deemed to be acceptance of approved training within the meaning of federal laws relating to unemployment benefits.

The House amendment has no comparable provision.

The House recedes.

The House amendment authorizes the use of funds for pre-lay-off assistance.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment specifies that relocation assistance may be provided if the State determines the participant cannot obtain employment within the commuting area and that the participant has secured employment in a relocation area in a state.

The Senate bill has no comparable provision.

The Senate recedes.

The House amendment provides that participants be provided with allowances.

The Senate bill has no comparable provision.

The Senate bill provides that not more than 30 percent of the funds available in a state shall be available for supportive services and costs of administration.

The House amendment has no comparable provision.

The Senate bill prohibits the use of federal funds for paying wages, allowances or stipends.

The House amendment has no comparable provision.

The conference agreement provides that the 70/30 split of training to non-training costs applies only to the federal funds allocated to each state according to the formula set forth in the Act. In no case, however, will the 70/30 limitations apply to more than 50 percent of the total funds available to the state dislocated worker program.

Both bills provide for an equal match from non-federal sources. The Senate bill provides that the match requirement shall be reduced in accordance with a formula for States with a higher than average rate of unemployment.

The House amendment provides that the Secretary shall issue regulations for reduction in the State match if the State's unemployment is higher than the national average for 3 consecutive months.

The House recedes.

The House amendment provides that unemployment insurance benefits paid to an individual who is an eligible participant shall be counted as funds expended from non-federal sources as required by the matching provision.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to provide that Federal unemployment insurance benefits may be used for not more than half of the non-Federal match.

The Senate bill requires that every State shall give an opportunity for applicants to apply for funding of locally-developed projects.

The House amendment provides that no program under the Title may be operated unless the operation of such program is approved by the prime sponsor and a majority of the private industry council for that area.

The Senate recedes with an amendment to include a time limit for consideration of proposed program and to require justification in case of failure to meet timetable.

The House amendment provides for the written concurrence of a labor organization where any activity will modify the terms of a collective bargaining agreement.

The Senate bill has no comparable provision.

The House recedes, in view of the general provision applicable to the entire Act providing that any activity inconsistent with a collective bargaining agreement must receive the written concurrence of the labor organization and the employer concerned.

The House amendment provides for the coordination of displaced worker programs with related federal, state and local programs.

The Senate bill has no comparable provision.

The Senate recedes with an amendment to conform to state coordination plan.

The Senate bill provides that the PIC may be used for planning, or advising on, programs under the Vocational Eduation Act of 1963, the Rehabilitation Act of 1973, or any other Federal law relating to employment or training.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill permits the Governor to combine two or more advisory councils whose functions relate to employment or training or use one council to perform the functions of two or more such councils.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill requires the Governor to give public notice of intention to merge or expand the use of an advisory council.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill amends the Act of May 21, 1920 (commonly known as the Economy Act) so that provisions dealing with purchase of supplies, equipment or services by one government bureau or department from another would apply to any State agency receiving Federal financial assistance for job training or related programs.

The House amendment has no comparable provision.

The Senate recedes.

The Senate bill amends the Act of May 21, 1920 (commonly known as the Economy Act) to authorize each State agency to contract with any other State agency to perform federally funded job training services, if the Governor determines this will promote efficiency.

The House amendment has no comparable provision.

The Senate recedes.

SUMMER YOUTH

The Senate bill authorizes such sums as may be necessary for a summer youth employment and training program.

The House amendment authorizes summer employment and training programs as a permissible activity under the general employment and training program for the economically disadvantaged.

The House recedes with an amendment to assure that summer youth programs are consistent with the conference agreement regarding adult/youth activities.

The Senate bill provides for a formula distribution of the funds among States, service delivery areas and Native American programs.

The House amendment has no comparable provision.

The House recedes.

The Senate bill provides a list of allowable activities for the Summer Youth program.

The House amendment has no comparable provision.

The House recedes.

The Senate bill specifies that eligible participants shall be under the age of 22.

The House amendment specifies in section 261(a) that eligible participants shall be aged 16 through 21 and section 261(c) permits eligible youth aged 14 or 15 to participate, if appropriate, and set forth in the community job training plan.

The Senate recedes.

The Senate bill amends the Community Services Block Grant Act to provide the Secretary of Health and Human Services with the authority to designate another public or private nonprofit agency to administer community action programs in any case in which a community action agency is denied refunding or is terminated for cause.

The House amendment has no comparable provision.

The Senate recedes.

The House amends the WIN program to: (1) utilize the services of the PIC to identify and provide advice on the types of jobs available or likely to become available instead of the Labor Market Advisory Council; (2) require intensive job search assistance for AFDC recipients, and (3) require coordination of WIN activities with activities provided by the prime sponsor under the Job Training Partnership Act.

The Senate bill has no comparable provision.

The Senate recedes with amendments authorizing, instead of requiring, intensive job search assistance including group job search activities.

The House amendment insures that each individual participating in any program estalbished under this Act, or receiving any assistance or benefit under this Act, has not violated section 3 of the Military Selective Service Act by not presenting and submitting to registration as required pursuant to such section. The Director of the Selective Service System shall cooperate with the Secretary in carrying out this section.

The Senate bill has no comparable provision.

The Senate recedes.

Carl D. Perkins,
Augustus F. Hawkins,
William D. Ford,
William Clay,
Mario Biaggi,
Paul Simon,
Baltasar Corrada,
Harold Washington,
John N. Erlenborn,
James M. Jeffords,
Thomas E. Petri,
Millicent Fenwick,
Lawrence J. DeNardis,
Managers on the Part of the House.

Orrin G. Hatch,
Dan Quayle,
Paula Hawkins,
Edward M. Kennedy,
Howard M. Metzenbaum,
Managers on the Part of the Senate.

○